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POLITICS AND ADMINISTRATION.

A striking feature of the times is the sustained and concentrated effort that is being made to apply the principles of political science to the solution of problems of government presented by the working of American institutions. While in England the tendency of scientific thought is toward consideration of the objects of government and the proper exercise of its authority, in this country the tendency is toward consideration of the constitution of government itself. The work is being carried on with the thoroughness for which American scholarship is justly noted and with the attention to inductive methods which is the general trait of scientific study. This is particularly noticeable in the practical study of problems of municipal government for which the National Municipal League was organized. As one result of its labors we have a report which under the title of "A Municipal Program" makes an instructive analysis of the causes of municipal maladministration, and outlines methods of correction embodying the results of wide study. The positions taken are not beyond dispute and the prin-

ple of municipal organization recommended is energetically controverted in the work on municipal government which was the last product of Mr. Dorman B. Eaton's lifelong endeavor to promote the public welfare. The issue of "A Municipal Program," however, marks an important stage in the progress of a movement full of promise in public usefulness.

Among those who took an active part in the preparation of "A Municipal Program" is Professor Frank J. Goodnow, whose recent work on "Politics and Administration"¹ may be said to give the philosophical principles on which the program is based. Although the work deals with government in general, the problems which it discusses are chiefly those presented in local administration in this country, and the elucidation which it makes of the relations between local, state and national government, aims to throw light upon those causes of local maladministration which are the great reproach of our constitutional system. The work has been carefully and thoroughly done and it largely increases the debt which political science owes to Professor Goodnow's labors. Its philosophical treatment of the subject affords a basis for a consideration of the fundamental nature of the problems discussed.

In seeking the basis of the treatise we find it in a conception of the state as an entity possessing a self-conscious personality. It follows that political science deals with the expression of that personality as regards the character of the organs of expression and the mode of their action, and it is from this point of view that Professor Goodnow discusses politics and administration. But there is another point of view: the one upon which Seeley insists so earnestly in his "Introduction to Political Science," and which is systematically set forth by Spencer in Chapter XXIII of Part IV of the "Principles of Ethics." From this point of view

¹ *Politics and Administration*. By Frank J. Goodnow, A. M., LL. D. Pp. vi. 270. Price \$1.50. New York: The Macmillan Company, 1900.

the state may vary greatly in form, characteristics and habits, and the true province of political science is to classify the various forms and distinguish their characteristics. According to this view the archetype of the state is to be sought in such social aggregates as Messrs. Spencer and Gillen have described in their splendid anthropological treatise on the "Native Races of Central Australia." There society is seen in its rudimentary form—the food-seeking group,—within which the family originates; and there may be found specimens of the germs from which under various conditions have been developed the different types of family and political organization, and all the various forms of the state. Looked at from this point of view, the state from whose nature Professor Goodnow deduces certain governmental principles is simply one species of the state, differing from the primitive form as greatly as a vertebrate animal differs from a protozoon. Indeed, it is a species which has been formed upon the monarchical principle upon lines that strikingly suggest the development of the vertebrate type of animal organism. It is perhaps the only form of the state which develops self-consciousness and the power of giving rational determination to its conduct.

When we examine the constitutions of American government we do not find one form of the state but various forms. In its general organization the national government belongs to the species of the state which I have ventured to refer to as the vertebrate type, and Professor Goodnow's remarks on the general similarity of real political institutions hold good of states of this class, but in state and municipal government we have different species of the state, with different natures and habits. The characteristics of a state government, with its distribution of administrative functions and legislative powers among independent and separately constituted authorities, are well known to be different from those of the national government, with its integration of administrative authority; and in the various forms of municipal govern-

ment still other sets of characteristics appear. The national government has in every large community officials whose duties correspond to similar state and local officials and yet their political status is altogether different. In Mr. John Jay Chapman's work on "Causes and Consequences," he illustrates the evils in politics of what he calls "commercialism" by describing how a defaulting town treasurer is screened from prosecution by political conditions induced by the instinct of self-preservation in the management of a railroad corporation; but if the internal revenue collector, or the United States sub-treasurer, be substituted, the whole argument falls to pieces at once. Everybody knows that with everything else just as Mr. Chapman has described it, the defaulting official would be detected early in his career and prosecution would follow in due course. A state or town treasurer is safe during his term of office and comes to grief in the end only if he fails to make good when he transfers the office. A treasurer under the national government, even although in an outlying dependency, under a newly introduced system, is detected and arrested when he may have imagined that he had safely concealed his speculations. Thus we see that different species of the state are sharply distinguished in their characteristics even when closely intermingled in location.

A marked characteristic of low forms of the state is their fissiparous nature. Unless external pressure counteracts, they extend by simple fission, clans going off to other districts, developing into tribes by growth and forming new clans by partition. This characteristic became atrophied in those forms of the state which first tied man to the soil, developed primeval empire and laid the primary strata of civilization. Their organization presents such rigidity of structure and such a feebly developed nervous system as to suggest an analogy to the crustacean type of animal organism. But in all forms of the state whose development has been accomplished without extinguishing the volitional

nature of their component groups the primitive characteristic persists in new phases. Its operation is plainly discernible in the constitutional history of Greece and Rome, in which it takes the shape of migration of colonies and also in the development of political structure corresponding to divisions in the community. Roman history affords evidence of the fundamental nature of the tendency in the fact that sometimes actual fission would precede the growth of divisive political structure. A well-known instance is the creation of the office of tribune which was brought about by an exodus of the plebeians and was a concession by which they were induced to return to the community. It was because political growth in Greece never lost this fissiparous nature that Greek constitutional development tended to social disintegration and failed utterly to produce a political system able to comprehend large communities. Rome escaped like futility only by the practical instinct, probably engendered by "commercialism," which led her to preserve the imperium through all her political experimentation, and this finally developed into the principate of Caesar and Augustus, extending through the mass of society a vertebrate principle which gave the state fixity of type and confined political growth to functional development. As compared with later forms of the state the type is stamped with inferiority from its lack of organs of inhibition qualifying the volitional activity of the state by an efficient representation of particular interests, but it was a great advance upon antecedent forms of the state and it was an intermediate form in the evolution of higher forms of the state.

When we scrutinize our own constitutional history we can trace the operation of the divisive tendency within the limits imposed by "commercialism." The constitution of the United States was an achievement of commercialism, and in its formative stages it was carefully disguised as a movement to secure better commercial regulations. The constitution re-established the same general type of government

which had presided over the historical development of the national character, but a repulsion of classes soon took place, which gradually found expression in modifications of political structure. The organization of the national government was so inflexible that in it political change took the form of functional development; but in the constitutions of state and municipal government political change took the form of structural partition, as in Greece and Rome, but with variations caused by changed social conditions and a different heritage of political habit. In the national government, local offices were brought under centralized control; in state and municipal governments a multitude of offices which had been subordinate to central authority and filled by its appointment were made locally elective, with concomitant disintegration of administrative authority. As results of these divergent processes various species of the state have been evolved, which differ widely in their characteristics, although they have American politics as their common habitat.

This conclusion, to which we are led by applying to American politics Spencer's theory of the variability of the forms of the state, possesses practical importance, for it suggests that the low proclivities of our local politics are not aberrations from the type, but are simply normal characteristics of low forms of the state, made offensive because they affront an ethical sensibility developed in a higher form of the state. This explains the fact, otherwise a mystery, that as government in this country becomes more extensive in its sphere it becomes more satisfactory in its conduct. If direct popular supervision of the conduct of government had the importance which the dominant school of reformers attach to it, municipal government should be best administered, since it comes closer to the people than state or national government, and the consequences of mal-administration are more direct and immediate in their effect. By like inference, state government should be superior to

the national government in quality of administration; but, as a matter of fact, the gradation of satisfactoriness is just the other way. And if the ideal *civitas* of the reformers could be realized we should have the lowest conceivable form of the state, whose functions being the common property of the whole mass, would be coarsely and feebly discharged, and whose behavior would have no higher control than would be supplied by the promptings of appetite or the excitements of alarm. During periods of transition, when the state is suffering the pangs which attend processes of development in its organism to conform it to the conditions of its being, the imagination is apt to glorify primitive types of the state. The famous passage in Plato may be recalled in which he made such a startling assertion of the principle that "friends have all things in common," as the basis of an ideal commonwealth. A practical realization of this ideal is found among the Australian Blackfellows, but it would not attract poetic fancy. At present our own literature is being enriched by the charming essays of Mr. John Jay Chapman, in which low forms of the state are beautifully idealized, and the school of thought of which, since Mr. Godkin's retirement, he is the leading exponent, still gives such vigor to retrograde tendencies in our politics that under a disguise of reform, class interests are able to introduce new partitions of administrative authority and additional confusions of responsibility.

Professor Goodnow's work on "Politics and Administration" is the monument of a new departure in political speculation. Although ideas and assumptions derived from a special concept of the state underlie the argument, yet in analyzing the functions of the state the different forms of state organization are discriminated, and the causes of defects of local government are traced to political structure incompatible with the administrative authority essential to the distinct formulation and expression of the will of the state. The divergence between national and state government in

the development of administrative authority is clearly explained, and the progressive centralization of administrative authority in the national government is elucidated by citations of department regulations and judicial decisions. The circumstances which give to party organization a position of such commanding influence in our governmental system are acutely analyzed, and Professor Goodnow holds that but for the office of party in connecting divisive political structure "we should have anarchy instead of government"—a conclusion which may be startling to those who have been in the habit of regarding party spirit as the bane of our institutions. An admirable example of the vigor of Professor Goodnow's thought is the chapter on "The Boss," in which he shows by analysis and comparison that the development of the Boss is a stage in the process of integration which in England has extracted responsible government from representative institutions. All the portions of the work devoted to the analysis of existing political conditions are marked by a veracity of perception that will command the respect even of men of affairs accustomed to dealing with things as they are, without concern about theories. When political science brings its propositions into accord with the facts of human nature and of practical experience in life politicians will hearken to it.

But when Professor Goodnow passes on to the consideration of remedies his grip upon the actual appears to relax. Some of the suggestions made as to methods for subjecting party agency to public control embody the very fallacies exposed in the chapters on administrative authority. The multiplicity of elective offices in state and municipal government imposes upon the general body of citizenship a task of appointment which is really an administrative function, and the effort to perform it enfeebles the function of control which is all that the general body of citizenship is naturally capable of exercising. In the national government an integration of administrative authority has taken place which

admits of a corresponding integration of control, and the spontaneous activities of the people have developed an organ for the purpose in party. But party must also produce the coalescence of the executive and legislative departments which, as Professor Goodnow shows, is essential to the efficiency of administration. Hence, to a large extent, party is an organ of administration, and this circumstance impoverishes its function as an organ of control so that it is not satisfactorily discharged. Nevertheless its operation is energetic enough to make the administration of the national government conform in a general way to the requirements of public opinion. Administrative authority in state and municipal government has been so disintegrated that there is no adequate basis for the development of an efficient organ of control. Under the circumstances it is as much as party can do to provide some sort of administrative connection among the scattered powers of government, and its capabilities as an organ of control are feebly developed in this field. Professor Goodnow points out that "if we are to have much change in our party organization, our governmental organization will have to be somewhat changed." And Professor Goodnow goes on to show that party activity has changed and is changing our governmental system. Now, one process of this change which is plainly visible to those who can observe that which is familiar, is the integration of administrative authority within party itself, and this too is noted by Professor Goodnow in his chapter on "The Boss."

It seems, therefore, to be a strange *non sequitur* when later on one finds Professor Goodnow advocating a wholesale scheme of party disintegration. The very statement of the proposition involves a contradiction in terms which should suggest its fallacy. The inorganic condition which it is proposed to create by diffusing the exercise of party function through the whole mass of party membership excludes the idea of party organization. Structure and function are correlative, and the notion that administrative capacity

and corporate responsibility would somehow survive in party after the extirpation of the organic structure with which they are associated, finds no parallel except in the case of the Cheshire cat, whose grin remained after the cat had disappeared. This portion of Professor Goodnow's treatise exhibits an irrelevancy to the premises obtained by his analysis of political conditions, which indicates some error in fundamental conceptions. Perhaps this error is the tacit assumption that the forms of the state found in state and local government possess the ethical nature of the highest known form of the state—the vertebrate type to which our national government belongs, but that this ethical nature is somehow suppressed by party organization. That is a mistake. There is no such ethical nature in those low forms of the state; whatever rudimentary ethical traits are found in them were communicated by extraneous influence and are not a natural characteristic. Inquiry into the political history of our cities will show that before party rule became firmly established they were subject to gang rule, and impartial observation at the present time will show that by so much as restrictive legislation is effective in removing municipal government from regular party control it tends to pass under gang rule again. Lower than this our politics can hardly get, for the principle of personal leadership defies all schemes of pulverizing society into atoms, and the ideal of a community without differentiation of political function in the mass of its citizenship can never be realized. Nominations to office will always be made by the few no matter how many may seem to participate, and the only open questions are the extent and the location of the responsibility.

The true method of improvement is that which Professor Goodnow points out—administrative centralization, and in proportion as the general body of citizens are relieved of the duty of selecting officials for administrative position public control over the conduct of administration will increase. This relief party is extending by converting elective offices

into mere party appointments and by so much as party management increases its power of dictation in such matters, by so much it augments its responsibility and perfects its organization as an instrument of control for public use. A marked instance of this tendency was presented during the last political campaign in Pennsylvania. Some exposures were made concerning one of the candidates for state office, endangering the success of the ticket as a whole, so that he was forced to resign, and the party leaders appointed in his place a candidate whose high merits were universally admitted. If the candidates had been grouped by offices on the official ballot instead of being offered as a party ticket the party management would have been to a large extent relieved of the responsibility, pressure upon which enabled public opinion to purge the ticket. If political arrangements were such that the candidates were nominated by the direct action of the voters themselves there would be no responsibility left whatever. If the people should really make the nominations themselves whom are they to hold responsible for injudicious choice?

It hardly requires argument to prove that the presidential election is a consultation of the mass of the people as to the general policy of the government and the objects of the administration. The people are called upon to control the government, not to administer it; and they can do the one because they do not have to do the other. But in state and municipal government the people are called upon to administer the government, and their control is proportionately defective. Popular control over the national government was impossible until party had reduced the electoral colleges to merely ministerial functions and brought the political activities of the various states into subordination to centralized party authority. Popular control over state and municipal government will be impossible until in one way or another similar integration of authority is accomplished. When state and municipal elections become simply a con-

sultation of the people upon administrative policy, as in the presidential election, then the people will acquire a real control over the government there too. The great hindrance to constitutional growth in this direction is the habit of reform in the structure of government, unsettling the type and arresting functional development.

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THE LAW OF THE VALUE OF MONEY.

The value of money is fixed by the same laws as those which govern the value of other commodities,—the laws of supply and demand, as influenced by cost of production. The application of these laws and their interpretation is more difficult, however, in the case of metallic money than in that of other commodities, because the terms which express value are themselves terms of money. As money is the usual measure of value, and the standard with which other values are compared, it is difficult to find simple forms of expression for measuring the measure, for comparing the standard. The difficulty is made greater by the fact that the intellectual conception of value is that of a ratio rather than a tangible property. It is not possible to point to an object and say that it contains value in a definite amount, as it may be said that it possesses length or breadth or weight. The value relates to the comparison with some other object, which may be constantly changing, and is not a comparison of visible qualities, but of the intellectual conception of the utility of the object.¹

The utility of diverse objects is measured by a common denominator whose units are expressed in money. When the attempt is made, therefore, to determine the value of money, the determination can only be made by comparison with some other object or series of objects, or by some general intellectual conception. Changes in demand and therefore in the utility of most commodities manifest themselves by means of prices. A diminishing demand leaves excessive visible supplies upon the market, lowers prices, and suggests the wisdom of reducing production. The case is

¹"Naturally, as valuation itself is a less definite conception than the length or weight of a thing, money can measure less absolutely the value of the thing than the meter does for length or the kilogram for weight."—Beaure. *Théorie et Pratique de la Monnaie*, p. 17.

different with metallic money, since the fall in its price is expressed only in the enhanced prices of other commodities, and by reason of its high exchangeability, there never appears to be a supply upon the market which cannot be disposed of for its full value. As the condition is expressed by M. Babelon:¹

"For iron, lead, copper and coal there are variable quotations in the market upon which they are offered. If they are too abundant, if their outlet is closed, if competition develops, their price falls, the manager of the mine sees his profits diminish and the marketing of his products become more difficult. If he finds he is making a loss, he is forced to abandon the mine or to await at his own risk the return of better days. Quite otherwise is the situation of the producer of the monetary metal. As he has the capacity of converting into cash of legal tender power (*à cours forcé*) all the metal which he draws from his mine, he has always an assured outlet for his products; there is neither rise nor fall for his pieces of twenty francs, whatever the number which he may have struck."

The value of money is determined in precisely the same manner as the value of wheat, or iron, or houses. It is only the forms of expressing this value, and the differences in the character of the demand, which offer difficulties. The immediate influence which operates upon the value of money and upon the value of other things is the relation between the supply and the demand. In the case of money, changes in the demand have much more influence than changes in the supply. The supply of the precious metals over any two short intervals of time is a nearly fixed quantity, increasing in only small proportions from year to year, while the demand varies within the widest limits. The demand for money is much like the demand for wheat in the produce exchange markets. It is not a demand for consumption, but for the fulfillment of certain contracts. When business is normal and solvent, these contracts largely balance each other. An individual having contracted to pay certain sums of money, finds them offset by sums which

¹ *Les Origines de la Monnaie*, p. 285.

others have contracted to pay him, just as the wheat broker finds his contracts to deliver wheat offset by the contracts which he holds for the delivery of wheat to him. The situation of a bank is similar. The banker is able to calculate how far under normal conditions his contracts to deliver money will be offset by contracts for the delivery of money to him. Only the differences or margins, just as on the produce and stock exchanges, have to be settled by the actual delivery of money.

While money has, therefore, come to have in modern society a somewhat restricted use, it is an error to treat credit operations as entirely independent of money. The reaction against the mercantile theory has led some writers to lay too much emphasis upon the conception that the precious metals are only the sign and representatives of wealth and not a part of its substance. They are such a sign only in the same sense that every other commodity is a sign and representative of wealth. Every commodity or service represents the means of obtaining other commodities and services in exchange. In this sense wheat is a sign and representative of wealth in the same manner as money, because it gives command over other goods and services.

The respect in which the precious metals differ from other commodities is one of degree and not of kind. They possess the highest degree of exchangeability. Gold and silver have become in developed commercial countries the material of money by the operation of a branch of the law of marginal utility,—the law that the object most useful for a given purpose in any community will gradually exclude the use of other objects. The evolution of money began with the perception of degrees of salability of commodities. Goods vary greatly in their degree of salability in time and space. Some must wait a long time for a purchaser before they can be sold at a fair return; others can be sold only in particular markets. Exchange of such goods for those more exchangeable was a step towards the evolution of money.

Perishable goods and those of limited consumption are "merchandise" in the sense of being readily exchangeable, only for the interval that they are in the hands of the dealer. "Money," says M. Favre, "consists at the beginning in objects which might become merchandise. Its mobility is beyond doubt, but that which distinguishes it in a decisive manner from merchandise is the character (admitted in theory, if not a reality) of perpetual movement and absolute mobility,—which exists of itself and not for a transitory period."¹ In the natural contest for such a service the precious metals prevailed by a process of economic selection thus described by Professor Menger:²

"With the extension of traffic in space and with the expansion over ever longer intervals of time of prevision for satisfying material needs, each individual would learn, from his own economic interests, to take good heed that he bartered his less salable goods for those special commodities which displayed, beside the attraction of being highly salable in the particular locality, a wide range of salability both in time and place. These wares would be qualified by their costliness, easy transportability, and fitness for preservation (in connection with the circumstance of their corresponding to a steady and widely distributed demand), to ensure to the possessor a power, not only 'here' and 'now,' but as nearly as possible unlimited in space and times generally, over all other market goods at economic prices. And so it has come to pass, that as man became increasingly conversant with these economic advantages, mainly by an insight become traditional, and by the habit of economic action, those commodities, which relatively to both space and time are most salable, have in every market become the wares, which it is not only in the interest of every one to accept in exchange for his own less salable goods, but which also are those he actually does readily accept."

Money has attained its present position as a tool of exchange by a process of evolution from less exchangeable commodities. It was, as Professor Menger declares, "the spontaneous outcome, the unpremeditated resultant of particular, individual efforts of the members of a society, who

¹ *La genèse de l'argent*, in *Revue d'économie politique*, April, 1899, xlii, 362.

² "On the Origin of Money," in the *Economic Journal*, June, 1892, ii, 248.

have little by little worked their way to a discrimination of the different degrees of salability in commodities." Modern political economy tends more and more to appreciate such evolutions rather than to apply abstract standards in the judgement of past ages. It is not surprising, in view of the universal exchangeability of gold and silver, that they were considered, at the dawn of modern commerce, when paper titles were less secure than at present and credit had not reached its full development, as the most desirable form of wealth. As Professor Ingram expresses it, "The old feudal economy, founded principally on dealings in kind, had given way before the new 'money economy,' and the dimensions of the latter were everywhere expanding."¹ Money was for the individual the highest form of wealth, and by a natural error the mercantilists regarded it as the great object of national accumulation. It remained for the modern age to fully accept the view that money, while the most exchangeable form of wealth, is by that very fact the tool of exchanges and not their object. The progress of civilization has developed methods of exchange which have superseded in a large degree the necessity for coined money. But so long as substitutes were not equally efficient, money possessed the pre-eminent qualities thus described by Mr. Smart:²

"Money is the universal commodity; it is the one thing which everybody wants, and of which no one ever has enough; for, in promise and potency, it is almost everything else. Like all tools, it is not desired for itself, but for what it can do. The name which best conveys this is that of 'third commodity,' meaning by this the commodity interposed between the commodities or services which are the real objects of exchange; interposed, for instance, between the goods we make in order to sell and the goods we desire in order to consume."

¹ "A History of Political Economy," p. 38.

² "Studies in Economics," p. 145. Mr. Smart contends that money possesses a character which does not justify its dismissal as a "mere commodity," but with the proper understanding of its use, it is not apparent why the term "commodity" is not applicable.

It is the power of universal exchangeability, almost unlimited in time and space, which makes the precious metals ardently sought in preference to all other goods on special occasions. They have no such preference on ordinary occasions. The man of intelligence who has money does not hoard it in the form of gold and silver. He converts it into consumable goods or productive capital. The contracts which he holds for the delivery of money to him he is willing to deliver to his bank in return for other similar contracts, which he employs to obtain commodities and which are cleared against many other such contracts by the mechanism of modern credit. The value of money, in the sense of its rental value, is less than that of almost any other commodity. A man who has a special use for it in normal times obtains it for two, three, four or six per cent,—a much less rate of profit than is expected from the use of any other capital. It is when the relations between money and other commodities are changed by the abuse of credit that the money market approaches the condition of the produce or stock markets, when many dealers have sold "short" and are unable to obtain the commodities necessary to fulfill their contracts. Such conditions arise in the money market in times of panic, when every man seeks to compel the execution of contracts for the delivery of money to him, and seeks to obtain delay in the enforcement of his contracts to deliver money.

The true law of the value of money is derived from its requirement for the specific uses of settling balances and supplying the medium of small transactions. The value of money has only a remote relation to the whole volume of transactions in normal times. Even when conditions are abnormal,—when a general economic crisis has invoked a panic in the money market,—many instruments of credit continue to supplement the demand for money. Private credit may be so much impaired that the promise of the individual merchant is refused, but so long as confidence

remains unimpaired in banking credits, whether in the form of notes or checks, they supplement the supply of metallic money.

There are two forms of stating the demand for money, both of which relate directly to the question of supply and demand. The simplest meaning of the term, "the value of money," is that of the classical economists, who viewed value as the relation between money and the price of commodities. Money was considered as having an increased value when a given volume exchanged for more goods and a diminished value when it exchanged for fewer goods. A high value for money was translated into low prices and a low value for money into high prices, because in the former case less money was required to obtain a given article and in the latter case more money. The value of money was thus properly defined in its direct relations to other goods.

The "value of money," as used in the money markets, has a different sense, but a sense not without scientific justification. Value in this sense is the price of the rental of money, and it is for rental that money is usually required. A high value of money in this sense means that the discount rate at which money can be borrowed is high; a low value means that the discount rate is low. A high value indicates that the supply of money is small in proportion to demand and a low value that the supply is large. Such conditions tend to affect the value of money in the other sense,—its exchangeability for goods,—but the value in the sense of the rental price is much more sensitive than the value in the sense of command over goods. The rental value of the money, considered as a tool of exchange, has become, in mod-

¹ Professor Pantaleoni makes the proper distinctions and assigns a descriptive name to each form of value. "We must, therefore, avoid confusing the *value of money*, or its power of exchange, with the *Value of the Use of Money*, or rate of discount. But still more must we guard against confusing the value of money and discount with *interest*, i. e., the *Value of the Use of Capital*."—"Pure Economics," p. 227, n.

ern markets, the barometer of changes in the monetary supply. These changes in the long run react upon the power of money to purchase commodities, but they act more slowly.

The normal demand for money, therefore, as a tool of exchange, is indicated by the discount rate. Changes in the discount rate attract money for the special purposes for which it is needed by brokers and bankers, who have contracts to deliver money which they may be called upon to fulfill. Money often shifts back and forth under the attractions of changes in the discount rate without seriously affecting goods or their prices. It is only when the demand for money is the symptom of deeper economic disturbances,—in the misapplication or increased demand for circulating capital,—that changes in the discount rate are followed by changes in the value of money as measured in commodities. The two influences often accompany each other, but they are not inseparable. The rate of interest is the measure of the rental of capital, and it may happen that an increase in the supply of money is not accompanied by high prices nor low interest rates. As Mr. Beaure declares:¹

"The rate of interest was sufficiently high in the period from 1850 to 1860, when money became so abundant by the influx of the gold of California and Australia; it was on the contrary, very low in Western Europe during the period 1882-92, although the production of gold, the only actually effective money of the rich nations of Europe, was considerably restricted."

The rate of interest in these cases comprehended the charge for the rental of capital as well as the incidental demand for the rental of money, and the demand for capital was large in the first instance in proportion to the supply and smaller at the later epoch. The conditions under which changes in prices of goods respond in a marked degree to changes in the volume of money are those of an economic crisis.

¹ *Théorie et Pratique de la Monnaie*, p. 33.

Examination of this demand, when it affects a whole community, will show that it is of a somewhat abnormal character. The reduction of prices which occurs at the time of an economic crisis is not due to trifling changes in the volume of metallic money in the country, nor even to a change in the volume of credit money directly proportioned to the metallic reserves. It is due to the derangement of the ordinary mechanism of credit and constitutes to a considerable extent a demand for money for hoarding rather than as a medium of exchange. The demand for money as a medium of exchange would naturally be greatly diminished by the cessation of commercial activity, but the demand for hoarding creates the seeming paradox that a country absorbs the largest volume of money when prices are most rapidly falling.¹

The distinction between the regulation of the movement of money by the discount rate rather than by the prices of commodities is a fundamental one. It is something more than the mere intervention of the discount rate as an intermediary between money and prices. The difference is fundamental, because of the distinction between money and capital. The discovery that money is a commodity, differing in only a few respects from other commodities in the market, has led some economists to endeavor to wipe out the distinction between the money market and the market for capital.² But looking to the function of money as a tool, like a freight car or a canal, it is apparent that the movements of money may be distinct from the movements of capital. In other words, there might be a demand for the tools of exchange

¹ M. Marcel Mongin points out the absurdity of the cruder view of the quantitative theory in the observation: "It logically follows that periods of commercial activity are of a nature to lead to a fall of prices, while periods of crises, when exchanges are few, when all industrial life relaxes, should coincide with a general rise of prices,—which is precisely the contrary of the reality."—*Revue d'économie politique* (February, 1897), xi, p. 150.

² Professor Leroy-Beaulieu, for instance, has deliberately adopted the title "Market for available capital" (*Marché des capitaux disponibles*), as caption of one of the departments of *L'Économiste Français*, instead of the expression "The money market," used in most English journals.

when there was a surplus of the objects of exchange, or there might be a surplus of the tools when there was a scarcity of the objects.

Money, therefore, has a distinctive function as a commodity, for which the demand in proportion to the demand for other commodities may sometimes be large and sometimes small. But this demand for money is capable of subdivision. It is one of the common errors of writers on monetary subjects to treat the demand for money as though it had only one form,—a demand for consumption. The subject is discussed, consciously or unconsciously, as though an exchange of money for goods by an intending consumer of the goods withdrew the money permanently from the market as it withdraws the goods. The fact is overlooked that those who receive money do not receive it for consumption, but only for exchanging it again for other goods.

There is a marked difference between exchange for consumption and exchange to sell again, even in the case of goods. Exchanges of goods may be separated into two classes,—exchanges by dealers between each other and exchanges between dealers and consumers. The existing stock is not reduced by exchanges between dealers. It is doubtful whether the value of commodities would be increased by frequent exchanges of this sort, if it was obvious that there was no increase in the demand for goods for consumption. What complicates the problem in regard to goods other than money is the fact that it is a real or anticipated demand for consumption which usually stimulates the demand for their exchange. The increase of the demand for goods for consumption increases the demands of the retailer upon the jobber, of the jobber upon the wholesaler, and of the wholesaler upon the manufacturer. What might occur if these demands were not demands for consumption is indicated to some extent by the produce exchanges and the stock exchanges. Securities are not consumed when they change hands. Many thousands of shares are bought and sold

without withdrawing them from the market. Changes in price occur as the result of increased earning power in the property which they represent or events which may affect this earning power. But if these influences are eliminated, it is doubtful if the purchases and sales between brokers affect the price in any such degree as purchases and sales by permanent investors, which may withdraw the securities from the market.

The demand for money in the form of an offer of goods is a demand from dealers rather than from consumers. There is, however, a form of consumptive demand for money, in the sense of its withdrawal from the market, which exercises a strong influence on its rental price and which sometimes reacts upon its value as measured by purchasing power. Such a demand increases when a general sense of prosperity prevails. When the volume of exchanges increases, the ordinary effect is an increase in the stocks of money held as tools of business, for every man will generally enlarge his balance of cash on hand if his business increases materially. The effort to enlarge these stocks of money,—their withdrawal from the market to hold aloof as a tool of business,—tends to raise their value. But it is *only* the effort to *enlarge* the stocks—it is not the maintenance of the stocks at a given size nor the mere exchange of them for goods—that has a tendency to raise the value of money, because neither of these latter processes involves the withdrawal of any money from the market.

Even this demand does not destroy the money in perpetuity as food is destroyed by being eaten, nor convert it into forms unavailable for exchange, as iron is converted by being built into a bridge or a warehouse. The money exists in a salable form, ready to be drawn into the market if a sufficient bid is made for it through discount rates or the prices of goods. The other form of the demand for money, for carrying on exchanges, has very little of the nature of a consumptive demand. It is only a demand for the use of

money for executing a contract to deliver money. In the money market, as on the produce and stock exchanges, such contracts are rarely enforced. When they are enforced in the case of money, it is because other articles have lost some of their exchangeability. Money then has a high value in its proper capacity as a tool of exchange.

As a tool of exchange, like freight cars or highways, there may readily be a limit to the amount of money which may be profitably employed in a community. The fable of Midas, perishing amidst his wealth, because his wish had been gratified that everything he touched might be turned to gold, shows that even the ancients appreciated the essentially subordinate character of money in gratifying human needs.¹ If the community required every year \$100,000,000 in gold for carrying on transactions, and the gold were consumed in the process of making exchanges, a constant supply of not less than \$100,000,000 would be necessary to maintain existing conditions. But in fact the pre-existing gold is not consumed, but remains in the community ready to do its old work, just as a freight car remains available for a new load, after discharging its last one. Transactions of hundreds of millions of dollars are made over and over again by the use of the same coins of gold and silver, which performed similar transactions the year before, ten years before, and even a century ago. The pieces of gold may be remelted and restamped, but the physical gold remains the same in its character and quantity, except for the small percentage of loss due to wear and tear.

Silver and gold, therefore, differ from most circulating capital in this respect,—that for monetary uses they are not produced to be consumed, but only to be employed. Money engaged in carrying on transactions does not disappear with the consummation of the transactions. If such transactions

¹ Plato and Aristotle even went beyond the fact and assumed that any article declared by law to be the medium of exchange would serve the purpose. Aristotle declared that silver had value by law and not by nature,—V. Souchon, *Les Théories Économiques dans la Grèce Antique*, p. 111.

multiply, it does not necessarily follow that the necessity for money has increased. The rule governing the matter is thus laid down by Professor Arnauné:¹

"The demand for the precious metals for the making of money is naturally governed by the needs of the circulation. When transactions multiply and quicken, a greater quantity may be required of that instrument for moving wealth called money, just as a greater number of vehicles may be required to assure the transportation of material things. Nevertheless, a considerable increase may happen in the business of a country without an increase in the demand for the precious metals for coinage in the same proportion or even to a notable extent. It is even possible that the demand may diminish. It may be possible to provide for the needs of the circulation by means of other instruments of exchange, like bank bills, checks, and in general all negotiable or transferrable securities."

Ricardo laid down the rule that "gold and silver, like all other commodities, are valuable only in proportion to the quantity of labor necessary to produce them, and bring them to market."² This rule, that value is determined by cost of production, must in the end affect the production of every commodity, but is a rule of much slower and less traceable working in the case of money than with other articles. The immediate exchange value of articles in the market is determined by demand and supply. In the language of an English student of monetary problems:³

"The position of a commodity in the scale of value is the outcome of a comparison between the demand for it and its supply. Which of the two contributes the larger share to its value depends, chiefly, upon the nature of the commodity. The value of a perishable commodity, such, for example, as fish, or even grain, the demand for which varies within narrow limits, fluctuates in prompt accord with the fluctuations of the supply. When, like the precious metals, a commodity is practically imperishable, its stores act as a distributing reservoir and its

¹ *La Monnaie, Le Crédit, et le Change*, p. 19.

² "Principles of Political Economy," p. 340.

³ Memorandum by Mr. R. B. Chapman, C. S. I., Secretary to the Government of India in the Department of Finance and Commerce, submitted to the Indian Currency Committee. Fifty-third Congress, Sen. Misc. Doc. 23, 650.

value fluctuates with the level of the reservoir, and is but slightly, if at all, affected by the supply, the volume of which bears a constantly diminishing proportion to the reservoir which it feeds. In these cases it is the demand which chiefly governs the value, the supply being always an offer, and, under ordinary circumstances, practically free from fluctuations."

Cost of production becomes a factor in determining value when the supply of any article becomes so far excessive as to reduce the value in exchange below the cost of production. Production may then be arrested and the supply reduced, with the ultimate effect of raising the exchange value of the supply in the market.¹ This time comes in the case of gold and silver when the increased cost of machinery and labor make unprofitable the extraction of the precious metals from the poorer mines. Such mines may then be abandoned and production diminished. Production will be stimulated again as the diminution of the supply makes it unequal to the demand and raises the marginal value as expressed through the discount rate or through prices. Such influences have been felt upon the production of gold and silver on several occasions. Gold acquired increased purchasing power by changes in the cost of producing goods which followed the nearly complete equipment of the great civilized countries with the machinery of production and exchange about 1870.² The cost of mining fell and the efficiency of mining machinery was increased. This meant that more gold could be produced than before by the same expenditure of labor and

¹ It is stated that "production may then be arrested," rather than that it actually is arrested, because of the many cases under modern industrial conditions where manufacturing is continued without profit or even at a loss. As expressed by Mr. David A. Wells, "Examples are familiar of joint stock companies that have made no profit and paid no dividends for years, and yet continue active operations. The shareholders are content if the plant is kept up and the working capital preserved intact."—"Recent Economic Changes," 73.

² It should be noted that the decline in the cost of goods was not merely a decline in price as measured in money, but that less labor was required to produce a given product as the result of the increased efficiency of machinery. *Vide* "The Economic Basis of Imperialism," by the present writer in *North American Review* (September, 1898), clxvii, 330.

capital. Not only could more gold be produced, but it had the power of purchasing more commodities, because of their fall in price through increased facility in their production. The case was different with silver, because its marginal utility as a medium of exchange was less than that of the more compact and transportable metal, gold. The operation of value upon silver production was that described by Mr. Smart:¹

"After 1873 mine after mine was abandoned, although the ores were as rich and the reefs as plentiful as ever. What was the cause? Simply that silver was discarded as currency in certain countries; that is to say, silver fell in the estimation of great communities, and the loss of value was carried back till the price realized by the virgin silver was not enough to pay for the mining of it."

The usual operation of changes in the volume of money upon the discount rate and the manner in which they may finally affect the prices of goods is set forth by Professor Hadley thus:²

"If there is a temporary deficiency of the money reserve, those who have not provided themselves with adequate means of making payments will try to make use of the gold of individuals or nations who have provided themselves with a slight margin above their immediate wants. This they will do by offers of more than the usual rate of interest on short time loans. If this high rate of interest on short time loans lasts so long as to neutralize the profit obtained from holding capital in other forms, people will try to sell their goods and securities in order to get gold. This will diminish the price of goods and increase the purchasing power of gold. This change will usually cause some gold to be imported from other countries, and some to be withdrawn from the arts for conversion into coin. Under a free coinage system this process will continue until the stock of gold available for use in the arts has become so reduced and the stock of coin so increased that the marginal utility of an ounce of gold used in the arts is as large as the marginal utility of the things which an ounce of coined gold will purchase. The converse case of excess in money reserve shows corresponding effects. If it is temporary, the rate of commercial interest on short time loans falls lower than that on industrial

¹ "An Introduction to the Theory of Value," p. 69.

² "Economics," p. 200.

investments. If it is local, it operates to send gold coin away from the place where it is redundant, for the sake of obtaining higher prices somewhere else. If it becomes universal, it causes gold coin to be melted down for use in the arts, until the diminishing utility of an ounce of gold bullion and the increasing utility of the things purchased by an ounce of gold coin reach a common level."

This exposition of the true character of the demand for money,—for settling balances where contracts for money are not cleared against each other for goods,—permits an impartial examination of one of the controverted subjects of monetary science,—the quantitative theory of money. This theory, as defined by Mr. John Stuart Mill, is that "the value of money, other things being the same, varies inversely with its quantity, every increase of quantity lowering the value, and every diminution raising it, in a ratio exactly equivalent."¹ How this ratio is maintained, Mr. Mill states thus:²

"As the whole of the goods in the market compose the demand for money, so the whole of the money constitutes the demand for goods. The money and the goods are seeking each other for the purpose of being exchanged. They are reciprocally supply and demand to one another."

It is fair to say that Mr. Mill limits this law to "a state of things in which money, that is, gold or silver, is the exclusive instrument of exchange, and actually passes from hand to hand, at every purchase, credit in any of its shapes being unknown." Within these narrow limits, the value of money might vary "inversely with its quantity," but this would be the case equally with wheat or skins. They would vary in exchange value inversely as their quantity, if all changes in demand were excluded and if their holders were compelled to deliver up the entire amount of them for

¹ Mr. Mill admits that "rapidity of circulation" is an important element in determining the purchasing power of money. He lays down the proposition that "the quantity of money in circulation, is equal to the money value of all the goods sold, divided by the number which expresses the rapidity of circulation."—"Principles of Political Economy," b. iii, ch. viii, par. 3. (ii, 32).

² "Principles of Political Economy," ii, 30.

fixed quantities of other commodities. The error of conclusions based exclusively upon the law of the quantitative value of money is that it takes no account of other economic laws, which are inevitably set in operation by changes in the quantity of money available for exchanges.

The elevation of the quantitative theory of money to the rank of the one law exclusively dominating its value is opposed to the law of marginal utility, which is one of the most important laws affecting the employment of money. It is this law which makes it impossible that other conditions should remain the same when the supply of money is increased or diminished. The quantitative theory, when too rigidly applied to practical conditions, seems to assume that the whole demand for money is shut within a single market, in every part of which the relation of money to other things is the same. This is far from being the case. If new gold comes to a community already well supplied with the tools of exchange, it becomes surplus gold upon the market, available for increasing bank reserves and operating upon the rate of discount, but not transfused into the previously existing stock of money with the result of raising prices in the ratio of the increased quantity.¹ What has usually happened to this gold,—what happened notably after the Californian and Australian gold discoveries,—was that it went to communities where the existing currency supply was insufficient.

Slight changes in prices contribute to increase the ability of ill-equipped communities to acquire gold, by giving them a slightly larger surplus capital, which they could afford to invest in the tools of exchange, but such changes

¹ This fact exposes the defect of the precise mathematical reasoning of Professor Walras. He admits that "from one moment to another all the elements of the problem are modified," but maintains that at a given moment, other things being equal, if the quantity of money increases or diminishes, prices will rise or fall in proportion.—*Théorie de la Monnaie*, p. 46. But throughout his reasoning the fact appears to be ignored that all the new money is not at once offered against all the goods offered in exchange for money.

in prices are far from having a fixed mathematical ratio to the new supplies of gold. Money is highly necessary in an organized community, but it is not so necessary as food, clothing, and shelter. The law of the relative utility of money and other objects, operating through the discount rate as well as the prices of goods, usually results in the retention of the goods in preference to the money by communities which have little surplus capital for investment in the medium of exchange. This being the case, it is doubtful whether the value of the metals responds as promptly to local changes in the supply as the value of more necessary articles, like corn and wheat.

The too exact application of the quantitative theory in historical comparisons is based upon the erroneous assumption that money economy,—the use of money and of credit expressed in terms of money,—prevails to an extent absolutely uniform throughout the economic world. This is far from being the case. Comparisons in the value of money at different periods cannot be made without taking account of the narrow field for the employment of money in early ages. There was no effective demand for money, when the peasant was not free to change his abode, when he paid rent measured in kind rather than in terms of money, and when he never had opportunity to use money in organized markets. A large increase in the money supply, such as occurred after the discovery of America, and again after the opening of the Californian mines, was not spread in a uniform manner over the communities then using money, but having become a cheaper and more abundant tool of exchange than before, gradually found a new market in communities which had not formerly been able to avail themselves of such a tool at all. There is a wide difference between modern money-using communities and the conditions of the latter days of the Roman Empire, or any period of the middle ages, even down to the middle of the present century, which vitiates rough and ready calculations of the

changes in the value of money due to the changes in the quantity.¹

When the additions to the stock of metallic money are large and permanent, they act finally in some degree upon prices, but this action cannot be exactly measured by any rule of mathematics, and is often less potent than many other influences which affect commodities. It requires, in the language of Professor Leroy-Beaulieu, "a very long time for the increase of the money supply to traverse all the channels of circulation and produce a general and uniform elevation of the level of prices."² The ordinary commercial movements of money are determined by the special demand for it as a tool of exchange, and through the mazes of these movements the quantitative theory is a confusing and often misleading guide. Professor Hadley well expresses the truth on the subject when he says that, under a system of free coinage of the standard metal, changes in the quantity of money³

"Are at once a cause and effect of changes in general price level. If we have to choose between two ways of looking at the matter, there is in the majority of cases less error in treating them as an effect than as a cause. The amount of production and coinage of gold is so far affected by changes in the general price level that it tends to adapt the supply of money to the demand and mitigates changes in general prices far oftener than it causes them."

The notable cases of a visible influence of the supply of the precious metals upon prices have been the additions to the supply which took place in the sixteenth century and

¹ "Unless an object is more or less within your range and reach, this effective demand cannot exist. In a condition of natural economy,—the condition which was dominant in Europe so far as the masses of the population are concerned from the fifth to the fifteenth century,—money could not be an object of effective desire; for most men it was practically out of reach altogether. Monetary movements there were, but they did not touch the ordinary routine of peasant life; and hence it is impossible to use money in any way to measure what their condition and requirements were."—Professor W. Cunningham, *Quarterly Journal of Economics*, July, 1899, xiii, p. 382.

² *Traité d'Économie Politique*, iii, p. 151.

³ "Economics," p. 198.

again after the discovery of the mines of California. But on neither of these occasions did the value of money in exchange vary in "a ratio exactly equivalent" to the increase of the supply. Prices rose in a marked ratio during the sixteenth century. The influence of the new gold and silver was not felt in England, according to Adam Smith, until about 1570, but from that time prices rose so rapidly that within seventy years fixed incomes had shrunk 75 per cent in their power of commanding the means of living. Mr. Jacob computed the increase in prices at the ratio of 470 to 100. When the great outpouring of the California mines took place, many economists anticipated another rise of equal proportions. Mr. Jevons wrote a paper as late as 1863, in which he predicted that the depreciation in the purchasing power of gold would cause a rise in prices of from 40 to 50 per cent. When the new gold had produced its full effect and had become again more valuable than silver at the coinage ratio, Mr. Jevons reviewed the ground he had traversed in 1863 and reached the conclusion that the rise of prices due to the increase of the gold supply was only between 6.76 and 16.2 per cent, and averaged about 10.25 per cent.¹

The discussion of the value of money as a tool of exchange has proceeded thus far upon the assumption that money is free to move from market to market under the attractions of the demand, as expressed primarily through the discount rate, and that the supply is limited only by the world's existing stock and by the cost of production. This is the normal condition where the standard metal can be converted without limit into coins. Money may then be absorbed by hoarding

¹ *Vide* an article by the author, "Effect of the New Gold upon Prices," *North American Review*, November, 1897, p. 540. M. Block seems disposed to deny that the effect of the new gold was quantitative in any degree. He says, "Prices rose without doubt during this period, but as much by the activity of the demand for merchandise (the competition of buyers) as by the abundance of the precious metals. It is because the demand has become less active since the creation of an immense plant (*outillages*) that prices have fallen since 1880."—*Les Progrès de la Science Économique*, ii, p. 48.

and by an enlarged demand for current use, but it cannot be cornered in one market without producing an inflow, under the stimulus of increased discount rates, from every other market where the metal is found. The case is otherwise when an article of special character and limited supply is made by law the sole legal tender for the payment of debts. This endowment of government paper or of coins restricted in amount with the legal tender quality has a limited potency which has puzzled some economists. The reason is that they fail to apprehend the nature of the demand for money. Contracts to deliver money in countries having a depreciated standard are usually expressed in this standard. The demand for the legal tender money is measured, as in the case of gold, by the amount required to settle balances which are not settled by clearings. But in this case the supply is limited. So long as it remains limited, other things being equal, the money will have a value determined almost wholly by the demand for it. The manner in which the law of supply and demand operates in such cases is thus defined by Professor Leroy-Beaulieu:¹

"This phenomenon will not be in opposition to the character of merchandise which belongs to money. The money under consideration will be sought because it will be useful in exchanges and it will be difficult of acquisition because it will be limited in quantity. It will be equal in value to gold from the combined operation of these two causes,—the need for it and the difficulty of obtaining it. It will take a place in that large class of articles, already spoken of in treating of value, which, being no longer capable of reproduction, have a value dependent,—not upon their cost of production, which relates only to the past, but only upon supply and demand. The demand in this instance will be represented by the need for this money for transactions and the supply will be limited, by the hypothesis, or will increase only in proportions and according to rules fixed and known in advance."

The operation of the law of limited supply upon the value of coins has been illustrated in a remarkable manner since the depreciation of silver bullion during the last two decades.

¹ *Traité d'Économie Politique*, iii, p. 133.

The closing of the mints of the countries of the Latin Union to the free coinage of silver has permitted their silver coins to circulate at par with gold for nearly twenty years, in the face of a constantly declining price of silver bullion. The actual circulation of Belgium and Holland has come to consist very largely of silver coins, but they have been maintained at par with gold, partly by the limitation of their quantity and partly by the policy of the national banks in both countries in furnishing gold freely for export and thereby maintaining the equality of their silver money with gold in international trade. A similar policy was adopted by the British government for British India in 1893 by the suspension of the coinage of silver rupees and the adoption of a rate of exchange about a third less than the gold parity of the rupee, but above its value in silver bullion. The government of British India did not entirely succeed in maintaining the rate of exchange which was adopted, but the silver rupee never declined to the bullion value of the metal of which it was composed.¹

The fact that paper money can be made to circulate under certain conditions when it is irredeemable at only a little less than its nominal value has led to some of the most dangerous errors of monetary science. It has been assumed that, because a limited quantity could thus be made to circulate for value, an increased or an unlimited quantity could be put in circulation under the same conditions. The error in this calculation has arisen from the fact that only a limited number of the tools of exchange was required to do the business of the community and that it was the limitation of the quantity which enabled any quantity to circulate for

¹ The operation of the law of supply and demand in these cases should not be interpreted as an implication that the government has the power to give value by its decree to any article in any quantity. It has a very limited power, by creating a market and therefore a demand, to raise the value of a restricted quantity of pieces of metal for a certain use, but its power ceases when the amount of such coins becomes excessive. This fact renders it impossible to maintain at par with each other two metals of unequal value when there is no limit upon the coinage of either metal.

value. An irredeemable paper currency of fixed amount is subject to the advantages of monopoly of supply. The fact that no additional quantity can be obtained removes such money from the operation of the laws of cost of production upon supply and greatly increases its value when there is a large demand. The demand for money is in a sense in all communities the demand of short sellers. In other words, thousands of persons are under contracts to deliver money which is not in their possession. In communities whose currency is regulated by the ebb and flow of the metallic money of the world, there can rarely be any question of their ability to obtain money to fulfill contracts for the delivery of money if they are willing now and then to pay a slight advance in the discount rate. The case is otherwise with money of a kind whose quantity is limited, which exists in no other community, and which is not capable of increase by the operation of demand upon cost of production. Money of this kind must be had to execute certain contracts to deliver money and it can only be had at the terms named by the holders of it. These holders are the banks and exchange houses, who speculate in exchange and regulate the price of foreign exchange in depreciated money by the current estimate of the value of the money and by their control over the supply. If the quantity is insufficient or barely sufficient to meet the demands of a community for the tools of exchange, these exchange houses will be able to sell it for very nearly its nominal value in gold. But when the quantity becomes excessive,—aside from the usual collateral element, that the probability of future redemption at par is diminished,—the supply becomes in excess of the demand and the marginal utility of each piece responds to the marginal utility of the excessive supply. The whole volume of the paper money is depreciated and continues to depreciate as the quantity is increased.

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NATURAL RIGHTS.

The doctrine of natural rights has a history which may be traced to the speculations of Greek philosophers and Sophists who lived in the fourth and fifth centuries before Christ; but the first deliberate adoption of it as the basis of a political organization of human society is found in the Declaration of Rights which was made and published by the representatives of the people of Virginia, assembled in convention on the twelfth day of June, 1776. This document was followed, on the fourth day of July, in the same year, by the Declaration of Independence by the United States of America, in which the assertions of the Virginian Declaration that all men possess certain inherent rights, and that government is or ought to be instituted for the common benefit, protection and security of the people, nation or community in respect of which it is established, are substantially repeated; and in the year 1789 a Declaration of the Rights of Man was adopted and promulgated by the National Assembly of France. From that time forward the doctrine has been vigorously and persistently attacked by a succession of writers in England, France and Germany with such apparently damaging effect that Mr. Ritchie tells us in the preface to his elaborate contribution to the attempted demolition of the heresy, that when he commenced his labors in that direction he feared that he might be employed in slaying the already slain. But he adds that subsequent experience convinced him that the theory was still, in a sense, alive, or at least capable of mischief. Apparently in the judgment of Mr. Ritchie, the doctrine of natural rights has produced much mischief in the past, but a patient examination of it, as presented to us in the three documents I have mentioned, may convince us that the evil results which he would trace to its influence are not more justly attributable to it

than the crimes and follies which have been committed in the name of the Christian religion are attributable to the teachings of Christ as they are recorded in the New Testament. The earliest assailants of the doctrine in England, after it had found a place in the three documents which I have mentioned, were Bentham and Burke, the first of whom submitted it to an animated but strictly critical analysis from the point of view of the philosophical jurist in his treatise on the Principles of Legislation; while the second attacked it in his Reflections on the French Revolution with the vehement and denunciatory eloquence of a powerful orator and thinker whose vision was distorted by his anger at the progress of a revolution that ran counter to all his political sentiments and prejudices.

Bentham asserts that "rights properly so-called are the creatures of law," and by "law properly so-called," he tells us that he means "the will or command of a legislator." To this assertion he adds the declaration that "rights are established to insure the exercise of means and faculties. The right is the guarantee; the faculty is the thing guaranteed." It is therefore evident that Bentham makes an exclusive claim on the part of law and jurisprudence to the legitimate use of the word "right" as a substantive expression. But is the claim well founded? The primary meaning and use of the English word *right* and its French equivalent *droit* are adjectival; and both acquired an ethical signification, as expressing in the domain of morals a quality or characteristic which was the parallel or equivalent of that which they indicated in their original meaning of straight, when applied to material phenomena, long before they were appropriated by jurisprudence to denote a legal consequence created or recognized by positive law. It may be that jurisprudence has given to both words a much more definite and verifiable use as substantive expressions than that which they had acquired in the domain of morals, but it is beyond dispute that they were appropriated by jurisprudence on

account of their ethical associations, as it also borrowed for its own use from the domain of morals the words *duty* and *wrong*. This common use of the same vocabulary by jurisprudence and ethics is explained by the fact so well stated by Chief Justice Holmes, of Massachusetts, when he tells us that "law is the witness and external deposit of our moral life," and "its history is the history of the moral development of the race." Nor is it any wish to repudiate the historical relations of law and morals that induces Bentham and his disciples to protest against the use of the expression *natural rights* in the discussion of political questions. Their quarrel with it is a purely verbal one and will be found, when closely examined, to resolve itself into a dispute as to the correct nomenclature to be used in the investigation of the problems connected with the origin, nature and end of the state and its relations to the individual.

An illustration of the verbal character of the controversy is supplied by Bentham in his criticism of the statement that the pursuit of happiness is a natural right. "The pursuit of happiness," he says, "is certainly a natural inclination; but can it," he asks, "be declared a right?" He then immediately answers his own question by replying that whether the inclination to pursue happiness can be declared a right or not "depends on the way in which it is pursued." But before we can properly appreciate his answer it is necessary to know what he intends the pronoun *it* to stand for. Does he intend it to refer to the *inclination* to pursue happiness, or simply to the noun *happiness*? If he intends it to refer to *inclination*, as a strict observance of the rules of grammar would require, then both the question and the answer are perfectly useless to assist us in a solution of the matter in dispute, because the Virginian Declaration of Rights nor the American Declaration of Independence, which Bentham doubtless had in view, contains any statement that indicates that its authors identified natural rights with natural inclinations. On the other hand if the pronoun

it was intended to refer to the *pursuit* of happiness, then we must read the answer as meaning that whether the pursuit of happiness is a natural right or not depends on the manner in which the pursuit is conducted, and I do not believe that any rational advocate of the doctrine of natural rights would cavil at the answer in that form. But Bentham proceeds to give an illustration of the pursuit of happiness which makes it clear that he used the pronoun *it* to represent *happiness*, and by doing that he undertakes to confute the proposition that *happiness* is a natural right, which, so far as I know, does not find a place in the Virginian Declaration of Rights, nor in the American Declaration of Independence, nor in the French Declaration of the Rights of Man. "The assassin," says Bentham, "pursues his happiness, or what he esteems such, by committing assassination. Has he a right to do so? If not, why declare that he has?" It would be difficult to produce a more perfect example of controversial perversion of both the form and substance of an opponent's proposition, while preserving an apparent adherence to the language in which it is stated. In none of the three documents which have been mentioned can the assertion be found that the individual has a right to pursue his happiness in any manner he chooses, and at the expense of the happiness or existence of every other individual whose existence may interfere with the particular manner chosen for the exercise of the right and its satisfaction.

The right to pursue happiness is claimed in each of the documents for all men and in conjunction with an equally "inherent" or "inalienable" or "natural and sacred" right to life, or the enjoyment of life, or security. The assassin, therefore, cannot deprive his intended victim of life without violating the "natural" or "inherent" right of the victim to life and security; and he cannot assert the inherence of a natural right in himself to violate all or any of the inherent or natural rights of another for the purpose of more perfectly securing or enjoying his own natural right

to the pursuit of happiness without asserting that such natural right to violate the natural rights of another person is a right of a higher kind than any of the rights which may be violated in its name. But neither the Virginian nor the French Declaration of Rights, nor the American Declaration of Independence makes any mention of such a higher kind of natural right, and therefore the supporters of the doctrine of natural rights as it is proclaimed in those documents is not under any necessity to defend it against a charge of self-contradiction which cannot be supported until something is added to the doctrine which its authors never included in it. The addition which Bentham seeks to make to the doctrine, in his illustration of the assassin's pursuit of happiness, is an assertion that every natural right is absolute in each individual. This addition to the doctrine converts it into a proclamation of anarchy; and among its opponents we find the late Professor Huxley asserting that such is its true character because he regards it as a deduction or corollary from a prior doctrine of a "Law of Nature" which justifies every individual to seek the satisfaction of all his natural desires without the recognition of any ethical restrictions. But this assertion cannot be supported until the doctrine has been distorted by the gratuitous importation of a stultifying element which the advocates of the doctrine have always repudiated. Whenever the declaration is made that all men are endowed by their Creator with inalienable rights to life, liberty and the pursuit of happiness, the declaration implicitly prohibits any exclusively egoistic assertion of them by any individual which would involve the violation of them in the person of another individual. If the jurist who represents the teachings of Bentham and Austin interjects that the prohibition remains without any positive and available sanction until one is provided by the state, he is only reasserting the claims of positive law and jurisprudence to the exclusive use of the word *right* as a substantive expression; and I shall now make a

short attempt to ascertain the essential implications of the word *right* when used by law and jurisprudence in its substantive form.

The words *right*, *wrong* and *duty*, whether employed to express ethical or jural concepts, derive their meanings from reference to a standard of conduct. When used by the jurist the standard of conduct to which they refer is one prescribed by positive law, and every positive law includes a sanction by which alone legal rights arise under it, because if the law did not include a sanction the alleged right would not be enforceable, and an unenforceable right is for the analytical jurist a combination of two contradictory words. But it is the prescribed standard of conduct, and not the sanction, which determines the nature, duration and scope of the right. Positive laws which prescribe absolute duties include or have a sanction attached to them, but they do not create rights, unless we ascribe rights to the State in connection with them, and the root element of the sanction included in such laws is the arbitrary enforcement of the will of the more powerful. But the root element in the jural concept expressed by the word *right*, when it is used to designate a determinate right conferred upon an individual and enforceable by him with the aid of the State, is a restraint of the arbitrary enforcement of the will of the stronger individual who would pursue the accomplishment of his personal wishes to the detriment of the less powerful one; and the ideal of a positive law which creates determinate rights is found in a law which makes the weak and the strong equal in their power to enforce obedience to a standard of conduct prescribed for both. In other words, the supreme justification of every positive law which confers determinate rights upon individuals, when tested by the Benthamite standard of utility, is found in the fact that it provides a concrete sanction to enforce an ethical relation, and hence the vocabulary of ethics is inevitably employed to describe its results.

Burke denies that government is made in virtue of natural

rights, but admits that such rights "may and do exist in total independence of it; and exist," he says, "in much greater clearness and in a much greater degree of perfection; but their abstract perfection is their practical defect." He therefore does not pick any quarrel with the use of the phrase *natural rights*, and he is careful to announce that he recognizes the existence of what he calls "the real rights of men," and that it is in their defence he assails the "pretended rights" which in his belief would totally destroy the "real rights." But when we come to examine his account of the rights which he describes as "real," we find that he uses language which by every rule of fair and reasonable construction concedes to every member of civil society a claim upon it to secure to him all the benefits which it can confer upon him, in the particular place in which he finds himself in it. His own words are: "If civil society is made for the advantage of man, all the advantages for which it is made become his right. It is an institution of beneficence; and law itself is only beneficence acting by rule. Men have a right to live by that rule; they have a right to do justice, as between their fellows, whether their fellows are in politic function or in ordinary occupation. They have a right to the fruits of their industry; and to the means of making their industry fruitful. They have a right to the acquisitions of their parents; to the nourishment and improvement of their offspring; to instruction in life and consolation in death. Whatever each man can separately do, without trespassing upon others, he has a right to do for himself; and he has a right to a fair portion of all which society with all its combinations of skill and force can do in his favour." This list of rights is surely as large and comprehensive as the statement contained in the first paragraph of the Virginian Declaration, that men "have certain inherent rights of which when they enter into society they cannot by any compact deprive or divest their posterity; namely, the enjoyment of life and liberty with the means

of acquiring and possessing property and pursuing and obtaining happiness and safety." The only difference between the language employed by Burke and that used by the authors of the Virginian Declaration is that Burke alleges that whenever civil society is established all the advantages for which it is made *become* the rights of its members, whereas the authors of the Virginian Declaration assert that man enters into civil society already possessed of certain rights which civil society ought to recognize and protect. But the mutual relations of the individual and civil society become the same under both propositions, because the result in each case is that every member of civil society has a claim upon it to secure him in the possession and enjoyment of certain rights or benefits. But if every member of civil society has a claim upon it to secure him in the possession and enjoyment of those rights or benefits, whence does he derive it? Burke himself uses language which seems to imply that he regards the claim as derived from something very similar to the primitive contract which was alleged by Rousseau to be the basis of the political organization of human society, for he says "men cannot enjoy the rights of an uncivil and of a civil state together. That he may obtain justice, he gives up his right of determining what it is in points the most essential to him. That he may secure some liberty, he makes a surrender in trust of the whole of it." And in his speech on *Conciliation with America*, he says, "All government, indeed, every human benefit and enjoyment, every virtue and every prudent act, is founded on compromise and barter. We balance inconveniences; we give and take; we remit some rights that we may enjoy others, and we choose rather to be happy citizens than subtle disputants. As we must give away some natural liberty to enjoy civil advantages; so we must sacrifice some civil liberties for the advantages to be derived from the communion and fellowship of a great empire." But if the claim of the individual

upon civil society for the protection of his person and the security of the fruits of his industry, with all the other rights which Burke concedes to him and designates as "the real rights of men," is based upon a contract or convention by which civil society was established, then the citizen is absolved from allegiance and obedience to the State when it refuses to secure such "real rights" to him, or directly invades them for the uncovenanted advantage of other members of the community. This is the pure and unadulterated doctrine of the American Declaration of Independence, and if it does not find its authority in a contractual origin of civil society, its justification must be sought in the welfare of the citizen which is alleged to be at stake and which the doctrine is invoked to protect. But the welfare of the citizen is found in his possession of the "real rights" which Burke concedes to him, and which civil society, in the circumstances supposed, has violated, and whether those rights are designated "real" or "natural" the appeal to them asserts their authority as morally prior and superior to that of the State.

It may be contended that the "real rights" of Burke ought to be designated *civil rights*, because it is only in some form of civil society that any person is found in possession of them. But if the individual is, in any circumstances, justified in resisting an attempt on the part of the State to deprive him of those rights he must in such circumstances find a designation for them which shall adequately describe their fundamental character as necessary data of civil society, rather than incidental advantages of it; and if the justification for his resistance cannot be found in a contractual origin of political society, it must be sought in the rational and moral nature of man by virtue of which political society exists. It is here that the veteran French philosopher, Renouvier, finds the source of the natural rights of man, and for that reason he designates them by the term *rational* in preference to the word *natural*, as being conditions of

well-being which the human reason demands for the development of the moral and intellectual capacities of man's nature.

Mr. Ritchie, in the preface to his book on "Natural Rights," very truly tells us that he has approached the subject in a spirit more appreciative and sympathetic than that in which either Bentham or Burke discussed it; and a perusal of the volume has confirmed my first opinion that it contains the materials of a perfect defence of the doctrine which it was written to confute. He tells us that the word *natural* is frequently used as the equivalent of *normal*, and that when so used it means "what ought to be, but does not necessarily exist," and he proceeds to say that, "if the term natural rights were always confessedly used in this sense, no objection could be taken to it, except that it was an ambiguous way of saying what might be less ambiguously expressed by a direct use of the term *ought*." But we cannot convert the word *ought* into an adjective and speak of *ought rights*; and if we select the adjective which in its daily use most directly implies the same meaning which the word "*ought*" used as an adjective would express, and speak of *moral rights*, Mr. Ritchie replies that "Natural rights are not identical with moral rights, because in many cases people have claimed that they have a moral right to do things that were not recognized either by the law of the land, or by prevalent public opinion, or by the conscience of the average individual" (p. 80). On the next page (81) of his book Mr. Ritchie says that if we could agree upon what rights every society ought at the very least to guarantee to its members, they would be our "natural rights." In making this statement he places the term "natural rights" in inverted commas, by which I suppose he intends it to be understood that even in that case the adjective *natural* could be properly used only as a provisional or adventitious expression.

He then proceeds to inquire what determines the

“ought,” and he concludes that it is “social utility” as disclosed by past history. In this connection it may be noted that in his previous discussion of the subject in his book on the “Principles of State Interference,” Mr. Ritchie has been careful to remind us, that organized society is something more than a simple aggregate or number of separate individuals and that “the person is a product of the State.” Also in his book on “Natural Rights” he tells us that, “Nature made man an animal; society has made him a rational animal—a thinking, intelligent being capable of moral action,” and that “the person with rights and duties is the product of society, and the rights of the individual must, therefore, be judged from the point of view of society as a whole and not the society from the point of view of the individual.” (All this may be admitted unreservedly, but it does not prove the existence of any “social utility” apart from the well being of the units composing a community; and not only is the person “the product of the State,” but the supreme “utility” of the state is to produce “persons,” that is “thinking,” intelligent beings capable of moral action.”) But the “thinking, intelligent being capable of moral action” is such because he is capable of comprehending moral distinctions; and if the end of the State is to enable men to live a truly human life, that is, the life of rational creatures whose conduct is regulated by moral distinctions, the ultimate justification of its existence must be ethical, and, therefore, the political philosopher who discusses the functions and ends of the State has an equal, if not a prior, claim to the jurist to use the vocabulary of ethics in the data of the problem he is examining. The use of the expression “natural rights” for this purpose has been well vindicated by Professor Green in his lectures on the “Principles of Political Obligation” (Works volume 2, page 339) where he says, “There is a system of rights and obligations which should be maintained by law, whether it is or not, and which may be called “natural,” not in the

sense in which the term "natural" would imply that such a system ever did exist, or could exist, independently of force organized by society over individuals, but natural because necessary to the end which it is the vocation of human society to realize." Mr. Ritchie himself has told us that "If there are certain mutual claims which cannot be ignored without detriment to the well-being and, in the last resort, to the very being of a community, these claims may in an intelligible sense be called fundamental or natural rights. They represent the minimum of security and advantage which a community must guarantee to its members at the risk of going to pieces if it does not with some degree of efficiency maintain them" (page 87). If I rightly comprehend the scope of these words they embody the same fundamental principle which is asserted in the third paragraph of the Virginian Declaration of Rights which states "That government is, or ought to be, instituted for the common benefit, protection and security of the people, nation or community; and that when a government shall be found inadequate or contrary to these purposes, a majority of the community hath an indubitable, inalienable and indefeasible right to reform, alter or abolish it, in such manner as shall be judged most conducive to the public weal." The Virginian proposition is certainly stated in much wider terms than those in which Mr. Ritchie has expressed his conception of the fundamental relations of the individual and the State to one another; but the substance of each is that the justification of the existence and action of the State is the provision and maintenance of certain conditions of well being to all its members. The same doctrine is expressed with slight change of language in the American Declaration of Independence. The argument in both documents is undoubtedly based upon the social contract theory of the eighteenth century, but the proposition that the utility and justification of the political organization of society are found in the protection of the individual in the

possession and enjoyment of certain conditions of welfare which being, in the language of Green, "necessary to the end which it is the vocation of human society to realize" may, therefore, be properly described as "natural rights," is independent of any theory of the historical origin of the State with which it may at any time have been associated, and is always separable from it.

In view of many passages in Mr. Ritchie's book it would seem that the verbal aspect of the controversy might be reduced to a choice between the words "natural" and "necessary." But if the word "necessary" is admitted to be a legitimate description of the alleged rights, it will be difficult to justify the scorn and vehemence with which the use of the word "natural" has been condemned when applied to them. The words "natural" and "necessary" are not logically or etymologically identical, but they are nevertheless frequently used as if they were so. For example, we frequently find such expressions as "natural consequence" and "necessary consequence" used interchangeably in exactly similar connections, and it cannot be disputed that many relations and results in the material universe and in the world of human activity may be correctly described as both "natural" and "necessary." It would therefore seem to be a perfectly defensible use of the word "natural" in connection with social relations to apply it to those conditions of human well being which are necessary to the permanence and efficiency of human society.

Both logically and historically civil society finds its foundation in the rational and moral nature and capacities of men, and the final test of its claim to exercise authority over the individual is ethical. For this reason neither law nor politics can avoid the use of the vocabulary of ethics; and the political philosopher may fairly claim to use the expression "natural rights" to designate that sphere of personal action which must be held inviolate from the coercive intrusion of any other individual or the State in order to permit every man

to live the most truly human life which his nature and his capacities make possible for him in the social environment in which he is found. The fact that the extent of this sphere of personal action has been, and may continue to be, the subject of an interminable controversy does not prove that such a sphere of personal action does not exist; and the advocate of the doctrine of natural rights may readily admit that its extent may vary in relation to the moral and intellectual development of the individual. The sphere of personal action which ought to be preserved for a child or to an adult with a defective mental equipment is not the same as that which ought to be maintained inviolate for the adult possessed of intellectual and moral capacities equal to those possessed by the bulk of the members of the same community; but in each case the natural rights of the individual are violated if the sphere of personal activity is restricted to a degree which prevents him attaining the standard of human excellence which otherwise he might reach. Finally, if I am asked to prescribe a test for any alleged condition of well being which may at any time be claimed by the members of a particular community as their natural right, I reply that the test is the necessity of such alleged natural right for the preservation and protection of the standard of well being to which the claimants have already attained, or for the attainment of any manifestly practicable increase of their well being which the alleged right would bring within their reach. Every such condition of well being may be properly designated a *right* because it *ought* to be possessed by the claimants, and it may be properly called *natural* in the sense that the evolution of human excellence for the continuance of which the right is necessary may be declared to be natural to man; and it is when the alleged natural rights which are specified in the Virginian Declaration of Rights and in the American Declaration of Independence are regarded in this aspect of them that we find the justification of the words of Washington when he described the troops

who had fought under his command for the independence of their country as men "who had assisted in protecting the rights of human nature." If human nature has not any natural or inherent rights which can claim recognition to restrain a preponderance of physical force or the arbitrary will of majorities, then the weak and all minorities are without verifiable authority or justification for resisting oppression. Might is the ultimate foundation and criterion of right and the highest political ideal men can safely cherish is the rule of the benevolent despot. Are we prepared to accept this conclusion as the final goal of all the efforts and struggles which humanity has made and endured to reach the best possible conditions of human well being? If not, we must continue to carry on the good fight under the old flag which was borne aloft by the men who stormed the citadels of despotism and privilege in the past and on which is written as the record of its history and the promise of its future service "*In hoc signo vinces.*"

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THE ETHICAL AND POLITICAL PRINCIPLES OF "EXPANSION."

The acquisition without the expressed consent of its inhabitants of a thickly settled island like Porto Rico, enjoying civilized institutions, though inhabited by a partially civilized population, and the retention by force of arms of the national power and authority over the Philippine archipelago, where sovereignty had been legally acquired by treaty, has brought the United States into the world current of colonial expansion. While there is no difference in international law between the position of the United States in Porto Rico or in Alaska, or between the suppression of the resistance of the Sioux Indian tribes, in the Louisiana purchase or the resistance of the Tagals in the Philippine purchase, the difference of degree between the situation in each case has forcibly brought before the minds of men a reconsideration of the entire subject of the rights and the relations between civilized and partially civilized communities. By none is the necessity for an impartial consideration of the ethical relation of these acts felt more strongly than by those desirous that the acts of the nation, for which they feel "as a lover or a child," shall not only be right, but seem right. The United States has for a century advanced, under various treaties conferring international but not therefore necessarily moral rights, from the Atlantic to the Pacific, imposing its sovereignty, administrative authority and law, sometimes with and sometimes without citizenship, over civilized, semi-civilized and savage communities already in possession of the soil, without their expressed consent and sometimes against their violent resistance. It is continuing this policy on lands beyond the seas, whose territory it can never hope to fill with its own population, as was indeed asserted to be the case with earlier acquisitions. Are these twin advances, their march first across the continent, and next on

island realms, part of the same movement? Can either or both be justified in the forum of morals and of political principle?

The form of government, the limits of government and the just territorial extent of government must long remain subjects of a constant discussion. Where a century ago representative government through a popular Assembly instead of through a single head was in theory accepted as the best in form, the parliamentary experience of the past half-century has profoundly modified this political tenet. Where the limits of government were believed, a half-century ago, to be best defined in theory upon the principle of *laissez faire*, municipal legislation, and at some points international law, has, during the last half-century, accepted the task of a supervision which would once have seemed a retrogression to medieval practice or an advance towards socialist principles. Lastly, the just territorial extent of government was, in the period which began with the Declaration of Independence, 1776, in theory believed to be authoritatively dependent upon the consent, tacit or expressed, of a majority of the population occupying the governed territory. While this principle had numerous infractions in the name of order, dynastic privilege and of sheer territorial appetite, even these were asserted as exceptions to a general rule which seemed, as Thomas Jefferson said, "truths self-evident." Yet, even this principle, which once seemed so simple of application, was crossed in practice before a century had passed over in the country where it was first enunciated by a terrible and devastating war, which denied the right of self-selection in government to the white population of the seceding states of the American Union.

The theories which were asserted by the encyclopedists for the eighteenth century, the principle and practice which were unhesitatingly erected upon these theories during the larger part of the nineteenth century, have, as will be seen, in regard to all three of these issues, the form, the limits,

and the just territorial extent of government, been thrown into the alembic of discussion. Step by step every civilized country has been drawn during the last twenty-five years into action which runs directly counter to the American and to the main theoretical assertion of the previous one hundred years, that the first authority which should be consulted, in determining the administrative and national relations of any territory, should be those who live within this territory. There is to-day no more vexed ethical problem than that which turns upon this issue, whose decision must establish the ethical acquittal or the ethical condemnation of the acts by which the colonial possessions of European states have been increased during the last quarter of a century by some eight million square miles, a policy in which the United States has begun to share and on which every American is forced to reach a sober, a careful and a responsible decision.

Fortunately, in the maze and flux of conflicting commercial interests, territorial ambition and national Chauvinism, there are certain fundamental principles upon which all are still agreed. These are held by all parties to this discussion and by all the actors in the great drama, which is so rapidly parcelling the earth's surface among the "great powers." All of these powers but one hold the theory of self-government, and all, without exception, even Russia, admit the principle of self-government as on the whole the wisest, though not at all times the best, most practicable of plans for the government of men. Two principles are the admitted object of all society: First, the creation of the best possible environment for the development of the free, intelligent, moral being, capable of a wise choice and ethically desiring to use this choice to the general good in the service of other human beings. This because to the general effort of other human beings in the past, continued during the centuries, the individual is in debt by an unearned increment greater than can be discharged by a life-time of self-sacrificing devotion.

Second, the best ultimate environment for the development of such an individual is as universally accepted to be the self-governing state, in which the will of the individual is periodically exerted to decide according to settled, fundamental and agreed laws, the legislative, executive and judicial action of the community of which he is a part, in all its decisions, local, mesne and national. From Russia upwards, every official public utterance accepts the view that the utmost freedom of self-government in local affairs, in those middle organizations, the state and country in American practice, the shire in English, the department in France, should be granted as is consonant with the maintenance of order, the stability of the state, and the rights of ruler and ruled, construed with reference to the safety, the prosperity, and the development of the community as a whole. To-day if arbitrary power is exerted anywhere, it is on the avowed excuse that it is necessary in view of the imperfect development of the society, and its necessity is best established by piously asserting that its despotism is a providential instrument, ordained of heaven for the purpose of controlling the folly, the wickedness and the ignorance of men not yet ready for complete self-government.

These two principles, the self-ruling individual and the self-governing community, are now accepted as the theoretical rule of practice by which the organization of the state must be judged. Under despotisms, or under what are called liberal institutions, the ethics of each political act are all to-day brought to the bar of a common consciousness before which each act must be judged according as it facilitates and promotes, or hinders and retards the ultimate creation of a self-governing environment for the self-controlling individual. But in applying this principle, so broad in its application, so universal in its acceptance, there instantly appear sundry limits which the experience of man has established upon the exercise of self-rule by the individuals of a community. The first of these limits is that of age. When

we speak of universal suffrage, we exclude by common consent all those whose development has not reached the years at which an adult will exists. For different purposes this age limit may be drawn at different years. With us, certain contracts can only be made after eighteen. The political right of suffrage can only be exercised after twenty-one. A man is only eligible for the federal Senate after the age of thirty, and for the supreme gift of the Presidency a limit of thirty-five years of age has been established. Without question, the privilege of self-government is here limited sharply by an arbitrary line, which in some individuals comes too late, and in some too early to agree precisely with the individual development, but which is imposed by the community for the general good. Sex is another limitation on political self-rule. In most communities, though by no means in all, suffrage is limited to men, and whether this step be wise or unwise, the right to make some limitation is accepted by all. Character is still another limitation on the right of self-government. All are agreed that an infamous conviction is sufficient cause for depriving a man of his share in the rights of self-government. Intelligence is another limitation. The idiot and the insane, by general consent, are excluded. Experience has rendered it true that it is also wise to have an educational qualification, and the possession of special educational powers, as a university degree, has, in a number of countries, been held to confer special political privilege. Lastly, in a large number of countries, this limit upon the exercise of self-government by the individual is extended by means of special qualifications, of property, of residence for a term from thirty days up in North American states or of registration. All, then, accept the view that the best self-governing environment is secured for all individuals by excluding some from the privilege of sharing in self-rule. These limits are drawn at different points. They are drawn everywhere for age, nearly everywhere for sex; they are imposed with varying force for character, but the

necessity of some limit to the right of the individual to share in the self-government of the community of which he is a part is so self-evident that it has ceased to be a subject of discussion as a principle, and become instead simply an issue as to its various applications.

These limitations as to the privilege of the individual exist also with reference to the right of the individuals in a particular territory, as related to all the individuals in a larger territorial community of which the smaller territorial section constitutes a part. It is perfectly clear that if the inhabitants living at the mouth of the Mississippi were to determine that their own prosperity and development required a separate national government, that the greater good of all the inhabitants in the entire Mississippi basin would give them a right as a whole to decide, not that the inhabitants at the mouth of the river should be deprived of all self-government, but that self-government should be exercised as a part of the larger territorial unit, created by the basin of the Mississippi, all whose parts are equally interested in the freedom of the self-government and mutual action of each of its parts. Twice in our history, once when the Franco-Spanish population of New Orleans desired control; and again, during the Civil War, the right of the entire Mississippi valley to see to it, to use Abraham Lincoln's phrase, "that the father of waters should run unvexed to the sea," was unhesitatingly exercised. The same principle applies to territorial boundaries, some historic in their origin, but nearly all based on physiographic conditions. It would be a wrong, both for the county of Kent and for the island of Great Britain, if the inhabitants of Kent were again to assert the right of self-government alone and apart, which was once indubitably theirs as a Saxon kingdom. Physiographic reasons, therefore, sometimes clear, sometimes dubious, and sometimes finding their chief justification in previous historic conditions, determine certain national boundaries within which we are all agreed that the greatest

good of the greatest number—and by the greatest number is meant not those merely who are living at one particular time, but all who are to be influenced in the future—requires the primary rule of self-government by a particular territory to be exercised, subject to the larger rights of the larger territory, of which it is a homogeneous part, racially, geographically or historically, the extent to which these boundary-making facts shall modify self-rule for an individual or a community being accepted as a question of application and not of principle.

Within these territorial limits, thus established, there are further facts which limit the self-action of the individual and the self-government of the community. Exactly as our sanitary laws prohibit any individual from maintaining a nuisance, from using appliances dangerous to the health of others, or from leaving the community without knowledge of a contagious case in his own family, so the nation as a whole rightly, that is morally and by just political principle, exercises its control over the self-government of the local community to require a certain level of morals, of education, of institutions and of administration to be preserved. The guarantee of a Republican form of government to each state is one shape in which this interference is exercised in the Union. Our Civil War was the assertion, among other issues, of the right on the part of 18,000,000 of our white population to forbid 8,000,000 from continuing the institution of domestic slavery. A small, insignificant minority in Utah has, under the same principle, been coerced into abandoning polygamy. These infractions of the right of self-choice by the individual, and of self-government by the community, are each justified and only justified on the general principle which justifies also the exclusion from self-government of individuals below nonage, the determination and maintenance of national boundaries upon rights partly historical and partly physiographic, and the entire series of limitations on the action of the individual, by local self-gov-

ernment, by the larger self-governing organism of the state, and finally by the nation. The creation of the environment of self-government for the development of the self-controlling individual is, therefore, by no means the direct, simple and exceptionless act which it appeared to the political thinkers of the eighteenth century. The various "inalienable rights" which make up this complex and self-governing state, made up of self-controlled individuals, is only reached through a large number of limitations, which exclude various classes of individuals, various categories of territory, and various desires of men, from the privilege of self-determination and self-wish.

These twin ideas of self-control for the individual and self-rule for the state, now accepted as settled, final principles all over the world, are the established practice only in the greater part of the temperate zone. In this continent, the principle and practice of self-government are in existence north of the sub-tropical regions. Temperate Europe is all dedicated to self-rule, and while Russia still has in its general government a despotism, autocratic and personal, the Russian *mir* constitutes, perhaps, the most complete instance of local individual self-government known the world over. Despotic as China is, its local village organization has at many points nearly as large a share of self-rule as that of Russia, and Japan may be unhesitatingly added to the countries in which self-rule exists. If we begin in the south temperate zone with New Zealand, we find ourselves in a land where the principles of general self-rule not only over political action and development, but over property rights and industrial operations, have been carried farther than in any other country, and with results which emphasize the value of the extension of this privilege from political to property rights. Australia, less advanced, is now engaged in extending the principle of self-rule from separate colonies to a federated commonwealth. Chili and Argentina, in South America, have come closer to establishing self-government

than any other countries in that continent. The present war in South Africa, whose results may any week be complete, is itself an illustration of the mutual acceptance in theory of the principle of self-rule by both combatants, and of the inevitable conflict, which has already been touched upon, between the rights of the small, integral community exclusively to rule itself and the rights on the other hand, first, of men to go where they will and in all lands enjoy all the political privileges of self-rule ; and, second, of the claims of the larger territorial unit of which the small state is a part to control the latter. For there is no reasonable doubt that a century hence the Transvaal and the Orange River Colony will have become part of a South African domain, whose common fellow-citizens will look upon the present war as do the citizens of our Union on our Civil War, as an issue on which men could honestly differ, but on which all men can gladly and loyally accept the final result.

Between this belt of self-governing countries, broken in the north temperate zone by China and Russia, and unbroken in the south temperate zone, there stretches the tropics, to-day and from the beginnings of history without self-government or local self-rule. The problem, therefore, as in the temperate zone, is the creation in these tropical countries of the same environment of the self-governing community for the best development of the self-controlled individual. There are two diametrically opposite views in regard to the best course which should be followed in order to create such communities in the tropics, which include to-day nearly half the human race. The first view stands still upon that general principle of absolute right, individual development and *laissez faire*, which was the basis of early assertion and assumption a century and a half ago in regard to the forms, the limits, and the just extent of territorial administration. The double claim is asserted, first, that the development of the temperate zone has taken place best without external interference, so that the best development of

the tropics is likely to come about in the same way ; and, second, that each region has a right to such institutions, such government and such development as it prefers. We have no ethical right, such men say, to force what we are pleased to call a higher civilization or a more advanced administration upon others. If they prefer their tribal organization, their simpler institutions, their ruder adjustment of personal and political, civil and administrative rights, it is for them and not for us to decide whether it is better to live in a medieval or in a modern state, in a savage or a civilized community.

With the just and prompt interference of legislation and administration, with like claims in the case of individuals who prefer a savage, predatory or socially backward life, we are familiar. We are less familiar with similar interference with communities in behalf of the general development of the race. Yet the two acts rest on the same basis, are physically on a par, and are both only justifiable on the same ground—the final development in any region of the best conditions and environments for the self-controlled individual. Exactly as we have come to understand that the right of the individual to share in the self-government of a community of which he is a part, is or may be dependent upon age, sex, character, property, education, so the right of any region to self-government is not inherent, but is in its turn dependent upon its relation to the general advance and development of the world.

The presumption is in favor of the right of the individual to share in the self-government of his community. The presumption is in favor of the independence and self-government of every community. But in both cases an appeal to past experience and existing fact must decide whether either the individual or the community has a right to the privilege which each asks. When communities were isolated, came in infrequent contact, and were able to develop alone, a condition which disappeared with the in-

vention of steam, the presumption in favor of the individual development, independence and self-rule of each community was far stronger than it is to-day. Nearly every argument which urges the right of the community to self-government cites authorities and utterances prior to present conditions, exactly as all like pleas for suffrage, unlimited by mental, moral or material qualifications, base themselves on assertions and utterances before the experience in universal suffrage, so-called, during the last century.

The broad fact exists that in the north and south temperate zones there has been a steady gravitation which has created a group of great powers, all but one self-governing, and that one enjoying local self-government, and justifying despotism only as a necessary step in the development of a backward state. These countries face tropical regions, part of which has been annexed, and part of which awaits an inevitable annexation. The historical progress and cause of this annexation are themselves the best possible statement of the ethical conditions which surround the colonial policy of the past quarter of a century.

1. Precisely as every nation has found it necessary by factory laws, by sanitary regulation, by the entire network and web of what is known as the police power, to maintain a uniform level among its citizens, so civilized nations have found it necessary to maintain a uniform level for the purposes of trade, communication and the free diffusion of moral and religious ideas. It has ceased to be possible to permit the trader to go and come, relying for his safety on his own efforts. Such a course leads straight towards legal piracy in some form. No nation can be allowed to exclude the moral ideas common to humanity, hence the provision in the treaties of the past century for the free passage and the protection of the missionary. No nation can be allowed to preserve on the frontiers of another nation an order of semi-savagery, of oppression, or of smoldering insurrection which affects the peace, prosperity and development of its neighbor.

In 1877, when Mexico was weak, our troops unhesitatingly pursued Indian tribes across the frontier. In 1898, when Spain was weak, we ended smoldering insurrection in Cuba by intervention. First marines and then an army have been landed in China in order to protect the legations at Pekin, and this physical force is only a symbol of the steps constantly being taken by civilized nations to protect their citizens on semi-civilized territory. Ex-territoriality, with all its cumbrous fictions and its grievous injustice to the native trader, whose contracts and property are enforced and protected in courts less honest and less efficient, is a vain attempt to give under bad government, through exotic consular courts, the protection for life, for property, and for contracts which exists under good governments. These various expedients have been tried over a century, and they have all failed. They have aggravated the evils they sought to cure, and they have created evils which they could not remedy. The maintenance of a uniform level for the protection of the ordinary rights of men and women has become impossible in all that broad region which consists of semi-civilized nations, lying in the tropics, or in sub-tropical regions, except through colonial annexation.

2. It is a maxim of municipal law that the use of natural agencies is subject to the regulation of the sovereign. No man can block the best route for a railroad; no man because he owns both banks of a navigable river can close it; no man can do as he will with property like the Yellowstone Park or the Sequoia Groves in California which Congress has now before it a measure to expropriate. Every one admits that within certain limits taxation should force the development of the natural resources and riches of a community by taxing not the present but possible value of a city lot or a coal mine. It is a matter of argument whether this taxation of private right should go to the extent of absorbing all the rent or only enough of it in order to stimulate

private enterprise, but there is no possible question on the part of any one as to the moral right or the material wisdom of the use of the mingled powers of eminent domain and taxation in order to insure the efficient use of all natural agencies for the general prosperity. This applies equally to the surface of the earth. No tribe, no people, and no nation has a moral or political right, simply because it is in possession, to hold any given tract containing great natural advantages under a poor government which prevents its development, if there is a loss on this account to humanity as a whole.

3. But with reference both to the maintenance of uniform conditions in public order and the efficient use of natural agencies, the argument is always pertinent that a development from within is wiser, healthier and likely to be more permanent than any force applied from without. This argument was strong as long as nations lived isolated and separate. Free modern communication has applied an economic destruction and devastation to the development of semi-civilized countries more destructive than that of war. The steady smash of the economic systems of Turkey, Persia, and China, of all North Africa, of the Spanish colonies once held by Spain in the East and the West, and of Spanish-American countries outside of the temperate zone, has been the result of the economic principle that the worker under a bad government has no chance and no hope in competing with the worker under a good government. All nations have been bad at some time, and the worst government has always the possibility of recuperation, as history abundantly shows, but this is only possible when a country is a self-centered organism whose industries and economic exchanges go on without serious competition by an industrial system worked under more advantageous conditions. This competition has destroyed the industry, disorganized the trade, and sapped the social structure of every semi-civilized land. Japan is a solitary exception, and Japan is an exception simply and

solely because the Island Empire was equal to self-government and self-rule. What has happened elsewhere is the gradual destruction of local hand industries by the competition of factory products, whose production in a semi-civilized or badly governed country is impossible because the factory requires security for credit, for contracts and for wages. Unless these exist, it cannot come. The only two Asiatic countries which are developing factories are Japan and India under good governments. Thus it comes about that the tea of well-governed Ceylon and Assam destroys the tea industry of ill-governed China. The beet-root sugar of well-governed Germany brings to ruin and rebellion the sugar plantations of ill-governed Cuba. The jute of Southern India saps the profits of the jute plantations of Luzon. Even the marginal difference between the efficiency of the colonial administration of Holland and of Spain creates in Sumatra tobacco plantations which are destructive to the tobacco plantations of the Philippines. Administrative advance rests on prosperity. Prosperity rests on industrial efficiency. The economic competition of industries under good government, whose products under modern conditions pass constantly into competition in their own home with the products of industries under bad governments, destroys the possibility of industrial efficiency. This destroys prosperity. Administrative advance cannot come in lands cursed by economic declension.

Under these conditions there remain only three alternatives: (1) Those countries which have been outstripped in the race will sink into a lower and lower state of disorganization and disorder. (2) They will be taken up and exploited by great commercial companies, which will rule them through corrupt governments. (3) They will be acquired by self-ruling nations and embarked on a course of improvement. The last two are most certain. Disorganization and disorder will not be long permitted in a world grown as small as ours. The trader will always be strong

enough to rule for himself when he is not ruled by his own government. The choice in India was not one between native and English supremacy. It was a choice between English supremacy, exercised through a commercial corporation, or through a responsible government elected by a free people. This choice is one which exists the world over, and is already coming to be a grave question in the regions to the south of the United States. Witness the extension of corporate power in San Domingo, Honduras and elsewhere.

There remains the final question whether this process of annexation has gone far enough to determine its fruits, and results. The object is, let us remember, the creation of self-governing communities. The history of India we know for 5,000 years. It has never had self-government. It has gone on from one welter of oriental despotism to another. Through all those fifty centuries it has known good rulers and good judges, but it has never known a pure judiciary or an executive of integrity. It was without self-government or self-rule, until it was introduced by England. To-day, in its three largest cities, two-thirds of its city councils are elected by rate-payers; in over 200 cities with a population of 13,500,000, out of 9,000 counselors, 5,000 are elected, and two-thirds of this rural population, or 190,000,000, have, out of 15,000 village counselors, 5,000 who are elected by the rate-payer. In the one place, where the experiment has been tried on a great scale of ruling a tropical and sub-tropical region through the responsible government of a civilized and self-governing state, the fruits of the experiment in self-rule, in universities, in schools, in peace, in order, in prosperity, all unite to give experimental proof of the wisdom of the step which has been taken. The decision to be reached in all cases as to the responsibility of a particular country is exactly similar to the decision which must be reached as to the just limits of territorial jurisdiction in all cases. A mingling of historic, racial and physiographic

conditions decides where boundaries run, and what is treason on one side of an imaginary line becomes loyalty on the other. But when, by international law, by war, or by changes both make, these responsibilities come, they must be met. No wise man hunts responsibility; no good man shuns it. When any nation finds itself, as the United States did, with responsibility for sub-tropical regions, which the experience of the past and the conditions of the present show to be incapable of creating either self-government or public order, the duty of the hour is to accept the burden and the responsibility for creating that one environment of self-government which, as we began by saying, is the best environment for the self-controlled individual. The issue at this point is not, therefore, one of inalienable right to self-government, or to be settled by a fervid appeal to the principle of the "consent of the governed," but one of fact as to whether, at a given place and date, the conditions existed for self-government as a reasonable and present possibility.

Nor is it an answer to these mingled lessons of history, and of science, in the absence of this reasonable and present possibility, to reply that there is always hope for every human being, that each may at any time reform and return. The message of hope which was spoken both in the Sermon on the Mount and from Calvary was one which accepted the condition of inexorable law, which reminds us that "whatsoever a man soweth, that also shall he reap," and that the Caesar of worldly order has a claim as inexorable and as just, as the Divine love. To each tribute is due, to neither can it be refused. The one opportunity of securing the privilege of self-government in the future for all regions incapable of self-government to-day is to entrust their affairs for a season to the tutelage and direction of responsible, self-governing nations.

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REPRESENTATION IN STATE LEGISLATURES.

IV.

THE WESTERN STATES.

There are certain American institutional tendencies which can be seen nowhere else so clearly as in the western states. Many considerations make them an interesting field for the study of political development. In the first place, these communities are all young, and youth is often the period of most eager experimenting in matters political. The admission of California, the oldest of these states, marks the middle point of the century ; Oregon was admitted on the eve of the Civil War, and Nevada towards its close, while Colorado followed in 1876. The other seven came into the Union in a single period of seven years, beginning in 1889. The conditions of state growth have here been unique. It is true that they have been developed by incomers from the eastern states, and that none of them has so large a proportion of foreign-born inhabitants as have several of the north central states ; nevertheless this movement has had its unique features. It has been no gradual infiltration of farmers, like that which prepared the northwest territory for statehood ; not the prairie schooner but the continental express has brought the eager settlers to the land whose varied resources awaited their developing, and Congress has spoken these communities into states as soon as party expediency seemed to demand it. In framing and in working political institutions, be it for good or ill, the conservative influences have here had least effectiveness, and innovations are introduced with indifference which in other states could be brought about only after prolonged and vigorous agitation.

But it is these very states, where the positive influences in the direction of radicalism are so strong and where the restraints of habit and tradition are so little felt,—it is these very states which are gaining rapidly in influence upon the rest of the country. In area they comprise one-third of the United States, and in no other section is the present rate of increase of population so great. In any attempt to forecast the development of American political institutions, therefore, the practice and tendencies observable in the western states can not be neglected.

I.

Who are represented? or rather, who may vote in the choice of legislators?

Of this freedom from the restraints of tradition and of this readiness for innovation in matters of government few more striking illustrations could be cited than are afforded by the suffrage legislation of the western states. In the south effective agitation in favor of woman's suffrage is practically unknown. In the eastern and central states the woman's suffragist must be of highly sanguine temperament who can detect signs of advance; vigorous agitation may secure from an indulgent legislature the submission to the people of a constitutional amendment, but it meets with overwhelming defeat at the polls; indeed, in some states in recent years the anti-suffragists among the women themselves have put forward such a vigorous opposition to the extension of the suffrage that the empty honor of a favorable report from a legislative committee has been refused.

But the western states present a very different aspect. With but rare exceptions their constitutions recognize the extension of the suffrage to women as a change possible if not probable in the near future. In Wyoming and in Utah equal suffrage was decreed by the original constitutions. In

Colorado and in Idaho it has come more recently by amendment. In both Colorado and South Dakota the constitution required the submission of this question to the voters at the first general election. While four of these states have thus adopted equal suffrage,—the only states in the Union which have done so,—in four others the question has been referred to the voters at the polls during the past five years; in each case it was negatived by so narrow a majority as to make it not at all improbable that a few more years of agitation may reverse the decision.¹ In Washington, while it was still a territory, women voted for several years, before the law authorizing it was declared void by the court, upon a technicality.² In Montana, where there has been no very recent referendum upon the subject, not only may women vote on school matters, but those who pay taxes may vote on any question which is submitted for the decision of the taxpayers. With the single exception of Nevada, therefore, the western states have shown themselves susceptible beyond all precedent to the urgings of women aspirants for the ballot.

In other directions, however, the suffrage has been restricted. More distinctly than in any other section is race openly made the ground for refusing men the voter's privilege. This is in large part merely a matter of geography. Thus, California and Nevada exclude all natives of China; Idaho's disqualification applies to "Chinese, or persons of Mongolian descent, not born in the United States," while

¹ California, 1896—For, 100,355; against, 137,099. South Dakota, 1898—For, 19,698; against, 22,983. Washington, 1898—For 20,658; against 30,540. Oregon, 1900—For, 26,265; against, 28,402. In each case, as is invariably true in referenda, the vote on this question was much lighter than in the election of state officers. Thus, in Oregon, last June, the vote on the general ticket was something over 80,000, while less than 55,000 voted upon the amendment. By nearly a third of the voters the matter was looked upon with indifference. It was the vote of Multnomah County, in which Portland is located, that turned the scale.

² In 1883 the territorial legislature passed "An Act to Amend Sec. 3050, Ch. 238 of the Code of Washington Territory," which authorized women to vote. In 1887 the Supreme Court of the territory declared this law void because its object was not declared in its title as the Organic Law of the territory required.—Harland v. Terr. of Wash., Wash. Terr. Reports, III, p. 131.

the voters of Oregon, so late as June, 1900, chose still to retain in their constitution a clause declaring: "No negro, Chinaman or mulatto shall have the right of suffrage."¹ Of course so much of this clause as refers to persons born in the United States and subject to its jurisdiction, and to negroes and mulattoes is rendered obsolete and void by the Fifteenth Amendment; the disqualification of alien Chinese, on the other hand, escapes that fate, since under the present construction of our naturalization law a Chinaman may not become a citizen since he is not "white" in the meaning of the statute.

Three states specifically exclude from the suffrage Indians who have not renounced the tribal relation, North Dakota insisting that this must have been accomplished two years before the applicant may vote.²

A further instance of the westerners' openness to new ideas is the favor which has been shown to educational qualifications for the suffrage. Wyoming began her career as a state with a constitutional limitation of the suffrage to those who could read the constitution.³ California requires that voters be able to read the constitution and write their names, and in 1896 Washington adopted an amendment disqualifying future applicants for the suffrage who should not be able to speak and read the English language;⁴ as yet, however, the legislature has passed no law prescribing a method by which this ability may be determined, so that the amendment is not in force. The Colorado constitution authorizes the

¹ Another race discrimination which has been nullified by the Fifteenth Amendment, but which Oregon still retains, is the clause which declares that "no free negro or mulatto, not residing in Oregon at the time of the adoption of the constitution, shall come to reside or be within the state," and prescribing for their deportation, and for the punishment of persons who shall bring them into the state, or employ or harbor them. The amendment proposing the repeal of this clause was defeated June 4, 1900, by a vote of 19,074 to 19,999.

² Washington, Idaho and North Dakota.

³ In *Rasmussen v. Baker*, 50 "Pacific Reporter," p. 819, it was decided that the constitution must be read in English, not in a translation. Later decisions have reaffirmed that contention. *Blydenburgh v. Chatterton*, and *Irons v. Clark*. Supreme Court of Wyoming, November 15, 1897.

⁴ Vote: For, 28,019; against, 11,983.

general assembly to prescribe an educational qualification, stipulating, however, that no qualified voter shall be thereby deprived of the right to vote,—a restriction which, in southern states, would rob this test of much of its charm. But the most radical suffrage legislation as yet seriously put forward by any state is the amendment which has received the sanction of the North Dakota voters, during the past year. It provides not only that "the legislature shall by law establish an educational test as a qualification," but also that it "may prescribe penalties for failing, neglecting or refusing to vote at any general election."

The other suffrage regulations are more of the conventional type. Seven¹ of the states grant the ballot only to citizens of the United States, and three specify that naturalization shall have been completed at least ninety days before the election.² Of the states which accept the aliens' declaration of intention as sufficient, two insist that this shall have been made a year before he may vote.³ Six of the states,⁴—all but one of them of very recent admission,—require that the voter shall have been resident within the state one year prior to the election; the others shorten the preliminary residence to six months. In the county the period varies from one to six months, and in the town or voting precinct from ten to ninety days. The Oregon constitution contains a unique provision which allows qualified electors to vote in any county of the state for state officers. In none of the states is the payment of a poll tax made a prerequisite, although its requirement is authorized by the constitution of Nevada. In all of the states but one registration in some form is provided for, and in four at least it is made a prerequisite to voting.⁵

¹ California, Nevada, Montana, Washington, Idaho, Wyoming and Utah.

² California, Montana and Utah.

³ Oregon and North Dakota. In the latter the declaration must not have been made more than six years earlier.

⁴ California, North Dakota, Montana, Washington, Wyoming and Utah.

⁵ Montana, Washington, Wyoming and Utah.

The disqualifications specified in these western constitutions are of the type prevalent throughout the Union. The most common disqualification is that of persons convicted of certain crimes. It will be observed that this does not exclude men who are awaiting trial. Instances are cited where sheriffs have escorted persons of their own political party from the jail to the polls and back. Mr. Henry A. Fanwell, of Worcester, Mass., tells of this having occurred in both Illinois and Ohio. He was well acquainted with both of the sheriffs. One was a Democrat, the other a Republican. In each case the prisoner was charged with larceny. Only California and Nevada have singled out duelists and their abettors for especial disfranchisement. The Utah constitution, while declaring that the clause: "Polygamous or plural marriages are forever prohibited," shall be irrevocable without the consent of the United States and of the people of Utah, makes no reference to polygamy in its suffrage clauses. The constitution of Idaho, on the other hand, in most explicit terms disqualifies any person who is "a bigamist or polygamist, or is living in what is known as a patriarchal, plural or celestial marriage," or who "in any manner teaches, advises, counsels, aids or encourages any person" to enter upon such practices, or who "is a member, or contributes to the support of any order, organization, association, corporation or society," which gives countenance to them. It may not be without significance that, although this portion of the constitution was re-enacted *verbatim* by the legislature as a part of the election law of 1893, the succeeding legislature amended the law by striking out all the clauses which related to polygamy.

II.

What is the basis of representation?

In a group of states the great majority of whose constitutions have been formed within the past dozen years, it is a

matter of course that the local system of representation has been determined not by a century of development of historic communities which were at last merged in the state, but by present day notions of what is expedient.

One of the most striking contrasts which the western legislatures present is in the smallness of their numbers. The notion that in the multitude of legislators there is safety seems to have found less acceptance in these our newest states than elsewhere. In the senates of 1899 the average membership was 28, the range being from 15 to 40. In the lower houses the average was only 60; Nevada had the smallest, 30; while California heads the list with 80. That these constitutions are made to order and are not the product of slow-growing custom is shown again by the devices for keeping the numbers within what are deemed reasonable limits. To only one of the twenty-two legislative bodies, the Montana senate, does the constitution give the local communities a representative irrespective of population, and here it seems to be a matter of temporary expediency rather than of theoretical necessity. In two states the limit takes the form of a maximum upon the aggregate membership of the two houses together,¹ in four a limited range of increase is allowed to each house, North Dakota being most sanguine of future growth.² Two states enjoin that the proportions existing between the two houses in the apportionment made by the constitution shall be preserved in the future,³ while four constitutions answer the question as to the normal ratio more directly by decreeing that the house shall never have less than twice nor more than three times the members of the senate.⁴

¹ Nevada, limit seventy-five; present aggregate, forty-five; Colorado, limit 100, already reached.

² North Dakota, Senate, 30-50, now 31; House, 60-140, now 62.
South Dakota, " 25-45, " 45; " 75-135, " 87.
Idaho, " 18-24, " 21; " 36-60, " 49.
Oregon, " 16-30, " 30; " 34-60, " 60.

³ Colorado and Oregon.

⁴ Nevada, 15-30; Washington, 34-78; Wyoming, 19-38; Utah, 18-45.

It is surprising that the oldest of these states, California, should be the very one to adopt the most artificial system of apportionment, electing members of both senate and house from districts containing as nearly as possible equal blocks of population, excluding the Chinese, while the other states, many of which have been "checker-boarded off" into counties according to the lines of the government survey, nevertheless show not a little regard for county individuality in representation. Thus, under the present law in Montana and in Idaho each county, whatever its population, is accorded one and only one senator. In three of the states senators are apportioned to the several counties according to population.¹ Three distribute the requisite number of senators according to population among districts regardful of county lines,² while three assign one to each district.³

In the lower house four states make the county the basis of representative apportionment; two—Wyoming and Utah—guaranteeing a minimum of one to each county.⁴ California alone attempts to divide the state into equal districts, each electing a single representative. All the other states of the group make use of districts which take some account

¹ Oregon.—Twenty-five counties elect thirty. There is much overlapping thus, Multnomah County appears in three; it elects five by itself and is in two other counties which each elect a senator, jointly.

Nevada.—Thirteen counties elect one each, and one elects two.

Wyoming.—Eight counties elect one, each; four elect two, and one elects three.

² South Dakota, forty-five senators are elected from forty-one districts; thirty-seven elect one each; four elect two; ten of the forty-one districts combine from two to seven counties; the others are single counties.

Colorado.—Twenty-five districts elect one each; two elect two; one elects six.

Utah.—Seven composite districts elect one each. The other districts are single counties. Two elect one each; two elect two each, and one elects five.

³ California, North Dakota, Washington.

⁴ Nevada.—Five counties elect one each; four two; two, three; three, four.

Idaho.—Four counties elect one each; ten, two; four, three; two, four, and one, five.

Montana.—Here the constitution speaks in terms of districts, but the last apportionment seems to have been made by counties, as follows: Six counties elect one each; nine, two; four, three; one, four; one, five; one, six; one, seven, and one, twelve.

Wyoming.—Three counties elect one each; three, two; three, three, two, four; one, five, and one, seven.

of county boundaries.¹ North Dakota introduces the only variation of interest; the state having been divided into nearly equal senatorial districts, these same districts are made to serve for the apportionment of representatives.²

III.

How are the legislatures elected?

Evidence of these constitutions, having been formed upon a common model may be found in many points connected with the election of representatives. In every state the term of members of the lower house is two years; in all except Idaho and South Dakota, the senate is chosen for a term of four years, one-half of the senators going out of office every two years; in these two states alone is the renewal of the senate total at each election. The regular sessions of all the legislatures are biennial, and they all place sharp limits upon the session's length, eight making the limit absolute, while California, Oregon and Idaho fix a day beyond which the compensation shall cease. The limit is sixty days, except in Colorado, where it is ninety, and in Oregon and Wyoming, where it is forty.³

In election methods variety is precluded by the prevalence of the one-member districts. In five of the states there are

¹ Colorado.—Forty-five districts elect sixty-five representatives; thirty-six elect one each; three, two; two, three; one, four, and one, thirteen. Twenty-eight of the districts are single counties, several of which are combined with others in the election of joint representatives.

South Dakota.—Forty-eight districts—forty-five of which are single counties—elect eighty-seven representatives; twenty-three elect one each; fifteen, two; seven, three; two, four, and one, five.

Washington.—Twenty-two elect one each; twenty-five, two; two, three.

Utah.—Twenty-two elect one each; one, two; one, three; two, four; one, ten.

Oregon.—Fifteen elect one each; five, two; six, three; one, five; one, twelve.

² The same device is employed in Illinois, but, while in Illinois each of the districts elect three representatives, in North Dakota the number varies; six districts elect one each; twenty, two; four, three; one, four. If these diversities represent an effort to correct in the apportionment of members of one chamber the inequalities of the other, it suggests a curious provision of the Tennessee constitution of like import. Art. II, Sec. 6.

³ Oregon and Nevada limit special session to twenty days; Utah to thirty.

no others for the choice of senators;¹ in the others plural constituencies are very rare, and the constitutions show no evidence of an attempt to secure representation of minorities. In the lower houses almost exactly one-third of all the members are chosen from single constituencies, nearly as many more by pairs, and a very considerable number by threes. Most of the states contain one or two larger constituencies, brought about by the prohibition of the dividing of a county or of a city in the formation of representative districts. Thus Washington has one ten-member district; Oregon and Montana each have a district which elects twelve members, and Colorado one of thirteen. All of these are states of many parties whose factional rivalries have brought representatives of diverse views to the legislature.

Throughout the western states the legislators are paid by the day. The rate varies from three dollars in Oregon to eight in California and Nevada; the most common wage is five dollars. All of the states pay a mileage; Montana is the most lavish, paying twenty cents "for each mile necessarily traveled in going to and returning from the seat of government." Four pay fifteen cents and five ten. In South Dakota, by a special referendum, in 1892 the original mileage of ten cents was cut down to five.² While several states in the Union have found it necessary to prohibit the use of passes by members of the legislature, Idaho strikes a unique compromise by requiring that the number of miles actually traveled by each member upon a free pass shall be deducted in computing his mileage. The payment of other perquisites is generally prohibited, yet provision is made for the furnishing of stationery, etc., it being provided that such supplies

¹ At least 83 per cent of all the senators in these eleven states are from single-member constituencies; whenever a delegation contains members of several parties, it simply indicates their closely balanced strength.

² The constitutional amendment by which the mileage in South Dakota was reduced from ten cents to five was ratified by a vote of 39,364 to 11,236, indicating a widespread opinion that the mileage paid in most states of the Union, in South Dakota, at least, is extravagant.

shall be bought by some state official of the lowest responsible bidder. Idaho allows each member five dollars for "stamps, wrappers and newspapers;" for similar expenditures Nevada sets the limit at twenty dollars, and California at twenty-five. Oregon makes up-to-date provision for furnishing any member of either house in due order with the services of a committee clerk or stenographer for one hour daily, provided such an official is disengaged.¹

IV.

Who are the legislators?

For the answer to this question the constitutions must first be searched, since they establish certain general qualifications. In these a considerable degree of uniformity is to be observed. Thus, all the states but two, California and South Dakota, require that their legislators shall have completed their citizenship in the United States. Several states content themselves with requiring that the members shall possess merely the electors' qualifications as to residence prior to the election, but the majority now require a year's residence in the county or election district. The oldest and

¹ Compensation of Legislators:—

	Per diem, \$8 00	Mileage, 10c.
California		
Oregon	3 00	15c.
Nevada	8 00	15c.
Colorado	7 00	15c.
North Dakota	5 00	10c.
South Dakota	5 00	5c.
Montana	6 00	20c.
Washington	5 00	10c.
Idaho	5 00	10c.
Wyoming	5 00	15c.
Utah	4 00	10c.
Arizona	4 00	
New Mexico	5 00	
Oklahoma	4 00	

the youngest of these states, California and Utah, agree in requiring the longest preliminary residence within the state,—three years. Five states make no special requirement as to the age of members; three, on the other hand, call for added years from their senators,¹ while the other three allow no one to be eligible to membership in either house who has not reached the age of twenty-five.²

There is practical unanimity throughout this group in excluding from membership in the legislature men holding offices of profit under the state or national government, and also in making it impossible for members to retain their seats after accepting any office which has been created or the emoluments of which have been increased during their term of service; California and Oregon distinctly exempt, however, the acceptance of such offices as may be filled by election by the people, on the principle, apparently, that if the voters are satisfied no one else has cause to complain.³ The specific disqualification of duelists and of their abettors, so frequent in southern constitutions, is to be found only in those of the oldest three states of this group.

If laws were self-operative underhanded legislation would be almost impossible in the western states, for nowhere else have possible legislative iniquities been more explicitly set forth and condemned. Lobbying, bribery and solicitation to bribery are defined in most comprehensive terms; in addition to the ordinary penalties, the legislator convicted of such practices is expelled from his seat and made forever ineligible to membership in the legislature, and in some states disqualified from holding any office of public trust. Such are the provisions to be found in almost identical terms in the constitutions of five of the states; Colorado weakly

¹ North Dakota and Wyoming, 25; Montana, 24.

² Colorado, South Dakota and Utah.

³ The several states draw the line differently as to minor offices, which shall not render a man ineligible. *E. g.*, Nevada excludes postmasters with a salary of over \$600. In South Dakota and Washington, \$300 marks the limit. In Utah none above the fourth class are eligible.

confines the ineligibility to membership in the particular legislature in connection with which the offence was committed. In the attempt to ferret out the misdoings of legislators California, South Dakota, Montana and Wyoming have gone so far as to insert in their constitutions a clause providing that in the prosecution of charges of bribery, or corrupt solicitation, any person may be compelled to testify, " and shall not be permitted to withhold his testimony upon the ground that it may criminate himself, or subject him to public infamy; but such testimony shall not afterward be used against him in any judicial proceedings, except for perjury in giving such testimony."¹ South Dakota and Wyoming incorporate in the members' oath of office a denial of participation in bribery or corruption, and a pledge to abstain from such offences. South Dakota also forbids any member during the term of his service or for a year thereafter to be interested directly or indirectly in any contract with the state or any county, authorized by any law passed during the term for which he was elected.

The western states take little pains to acquaint their legislators with one another's record. Only one legislative directory and one " album " have been available, which shed any light upon the personnel of the law-making bodies. Some other data have been furnished by the secretaries of the several states.

The age of Oregon members is unusually great, the average of the senators being 47.5, and of the representatives, 45.5. Only a fifteenth of the senators and a fifth of the representatives were natives of Oregon; two-thirds of the members of each house came from states east of the Mississippi.

The accompanying table presents the percentage of representation from different callings, in the only states where the data for such a comparison are obtainable:

¹ Constitution of California, Art. V, Sec. 35.

Occupations of Legislators.

STATE.	CHAMBER.	Farmers,	Miners,	Lawyers,	MERCHANTS,	Manufacturers.
Oregon	Senate	10.	3.4	31.	31.	0.
	House	33.3	1.7	21.	10.5	3.5
South Dakota . . .	Senate	28.8	2.2	22.2	31.1	0.
	House	63.2	2.3	4.6	11.5	1.2
Idaho	Senate	41.3	11.7	29.4	5.9	0.
	House	26.3	30.3	15.1	6.0	0.

Percentages based on total number reported.

The most striking points are the slight representation of manufacturing interests, as compared with the eastern states, and the relatively large representation of the agricultural interests, particularly in the South Dakota house, where partiality for farmers seems to be offset by distrust of lawyers.

The Nevada secretary of state reports that 73.3 per cent of the senators and 43.3 per cent of the representatives had had previous legislative experience. In the Colorado, Montana and Wyoming senates experienced legislators constituted 82.8, 58.3 and 68.4 per cent respectively; members of the lower houses naturally have seen fewer years of service, the percentage of experienced members ranging from 14.3 in Montana to 43.3 in Nevada.

Of the four states which admit women to the suffrage, three at least have gallantly elected them to the legislature. The Utah senate and house each have one woman member. In the Colorado house is one woman doctor and two married women. In the Idaho house the two whose Christian names are given without a prefix are listed as Republicans and "housekeepers," while the third, a Mrs. W., is classed as a Populist, Democrat, Silver-Republican "office-holder."

V.

To what extent does each state's system of representation make the political complexion of the legislature vary from that of the body of the voters?

Under the simplest and most conservative political conditions, any adequate answer to this question is well-nigh impossible.¹ But in the western states these difficulties are vastly increased by the perplexing fusion of party organizations. The cynic might suggest that the politicians of these states have not yet learned that in the long run office-winning campaigns are more successfully carried on by massed and disciplined forces than by guerilla bands. The idealist, on the other hand, would fain see in the dissolving views presented by western politics the attempt of public-spirited men to give effect to their political principles, without suffering their independence of thought and of action to be put entirely at the mercy of self-seeking politicians. Be that as it may, the accompanying table, while showing the unprecedented flux of state politics, at the same time throws some light upon the degree of variation which the system of representation, worked out by each state, has introduced into its law-making body, as compared with the electorate. In each instance the attempt has been to compare the proportion of the aggregate vote for governor cast by each party, with the representation which that party, at the same election, secured in each house of the legislature.

¹ In the *ANNALS* for March, 1900, p. 82, the writer has discussed these difficulties at length, and also the qualifications with which the results of such a comparison are to be accepted.

Party Votes Compared with Party Representation.

STATE.	PARTY.	Percent- age of Vote for Governor.	Party Repre- sentation in Senate.	Party Repre- sentation in House.
California . . .	Republican . . .	51.7	65.0	73.8
	Democrat . . .	145.0	35.0	25.0
	Socialist Labor . . .	1.8	· · ·	1.2
	Prohibition . . .	1.5	· · ·	· · ·
Oregon . . .	Republican . . .	53.2	80.0	70.0
	Democrat . . .	140.7	10.0	10.0
	People's . . .	3.4	10.0	5.0
	Prohibition . . .	2.7	· · ·	· · ·
	Silver Republican . . .	· · ·	· · ·	6.7
	Union . . .	· · ·	· · ·	6.7
Nevada . . .	Fusion . . .	· · ·	· · ·	1.6
	Republican . . .	35.5	26.7	33.3
	Democrat . . .	20.6	6.6	· · ·
	Silver . . .	35.7	60.0	56.7
Colorado . . .	People's . . .	8.3	16.6	10.0
	Republican . . .	35.2	14.3	7.7
	Democrat . . .	162.1	27.7	33.8
	Prohibition . . .	2.6	· · ·	0.0
	Populist . . .	· · ·	28.4	29.2
North Dakota .	Teller Silver Rep. . .	· · ·	31.4	29.2
	Republican . . .	58.3	71.0	88.7
	Fusion . . .	41.7	29.0	11.3
South Dakota .	Republican . . .	49.2	62.2	67.8
	Fusion . . .	49.6	37.8	32.2
	Prohibition . . .	1.2	· · ·	· · ·
Montana . . .	Republican . . .	29.1	25.0	12.9
	Fusion . . .	70.9	· · ·	· · ·
	Democrat . . .	· · ·	70.8	81.4
	Populist . . .	· · ·	4.1	5.7
Washington . . .	· · ·	· · ·	· · ·	· · ·
	· · ·	· · ·	· · ·	· · ·
	· · ·	· · ·	· · ·	· · ·
	· · ·	· · ·	· · ·	· · ·
	· · ·	· · ·	· · ·	· · ·
Idaho . . .	Republican . . .	34.7	42.9	24.5
	Fusion . . .	48.8	23.3	34.6
	People's . . .	13.5	9.5	12.2
	Prohibition . . .	2.9	· · ·	· · ·
	Democrat . . .	· · ·	14.3	28.6

Party Votes—Continued.

STATE.	PARTY.	Percent- age of Vote for Governor.	Party Repre- sentation in Senate.	Party Repre- sentation in House.
Wyoming	Republican	55.3	63.1	92.1
	Democrat	42.2	36.9	7.9
	Populist	2.6		
Utah	Republican	644.8	11.1	31.1
	Democrat	652.9	77.7	60.0
	Populist	52.3	11.1	18.9
New Mexico . . .	Republican	52.9	83.3	91.7
	Democrat	47.1	16.7	8.3
Arizona	Republican		25.0	45.8
	Democrat		75.0	54.2
Oklahoma	Republican	58.2	61.5	65.4
	Fusion	39.1		
	Populist	2.6	7.7	19.2
	Democrat		30.8	15.4

¹ Fusion.² Independent.³ Vote for Governor in 1896. No election of state officers in 1898.⁴ Silver Republican.⁵ Vote for Judge of Supreme Court.

VI.

To what extent is the representative system elastic?

Free from the trammels of tradition, which often upholds the pretensions of rotten boroughs,⁶ and proud of the phenomenal growth of their cities, the western states have as yet shown no desire to curb the proportionate influence of urban populations.⁷ If restraint does press upon them, it comes indirectly through the guaranteeing of the same representation to all counties, whatever their population, as in

⁶ As in Vermont, and, above all, in Connecticut.⁷ As in Rhode Island and New York.

the Montana senate, or through the allotting of at least one member to a county, however small its population.¹ Regard for county individuality leads often to prohibiting the division of a county in forming districts, and also to the prohibiting of the attachment of a part of one county to another for purposes of representation.²

But in the attempt to secure equality of representation the chief reliance is placed upon frequent revision and adjustment of the apportionment; indeed, more radical use is made of this device than in any other section. California is the only state which confines itself to the federal census as the basis for its apportionment of members. Eight of the states provide in their constitutions for the taking of a state census midway between those of the national government; six of them direct the legislature to revise the apportionment at the first session after each census, *i. e.*, every five years. South Dakota insists that the reapportionment shall be made at no other time; North Dakota, on the other hand, provides that this may be done at any regular session, while Colorado, Montana and Wyoming authorize the legislature to alter senatorial and representative districts "from time to time, as public convenience may require." Most radical of all, the Idaho constitution omits all reference to any census enumeration, state or federal, as a basis for the apportionment, and, merely fixing the maximum membership of each house, commits the whole matter to the hands of the legislature.

VII.

Representation in the territories.

Representation in the organized territories claims a moment's attention because, in the first place, these commu-

¹ Idaho, house; Wyoming, senate and house; Utah, house. This is of little effect, however, as in Idaho alone of these states is a rigid maximum fixed by the constitution.

² In California, Oregon, Colorado, Montana, Washington, Idaho, Wyoming and Utah; unless the county is entitled to two or more senators

nities are undergoing their apprenticeship for statehood, an apprenticeship which—if the platforms of the two great parties in the present election are to be believed—is soon to end. In the second place, representation in these territories is of interest because it is not of native growth, but embodies the collective wisdom of Congress upon the subject.

In the two older territories the suffrage is confined to citizens of the United States; in Oklahoma it is left within the discretion of the local legislature, subject to the limitations of the federal constitution, and to the further requirement that an alien must not simply have declared his intention to become a citizen, but must also have taken an oath to support the Constitution of the United States. In Arizona registration and the payment of a poll-tax are prerequisites to voting. The New Mexico voter is allowed to vote in a precinct other than that of his residence on taking oath that he has not voted and will not vote elsewhere in this election. Half a dozen crimes are mentioned which disqualify the voter both for the suffrage and for office-holding; petty larceny is included only if twice committed. The Pueblo Indians are excluded except "in the elections for overseers of ditches to which they belong."

For these states-in-the-making Congress has adopted a ratio of two to one between the upper and the lower chambers, and legislative membership has been fixed at a very low figure. In New Mexico and Arizona the council has twelve members; in Oklahoma, thirteen. Uniformity appears in several other particulars. Both chambers in each of the territories are chosen for a term of two years; their sessions are biennial and are limited to sixty days. The members receive four dollars a day except in New Mexico, where the wage is five dollars. Federal law imposes upon the territories what custom and law, without too great warrant in reason, have made practically universal throughout the states—the lawmakers must be actual residents of their constituencies. The members of the council must come

from single-member districts. As Arizona has but eleven counties, it is provided that the various counties shall jointly elect one member.¹

But little information is available in regard to the personnel of these legislatures. It is not surprising that comparatively few of the members have had previous legislative experience ; in the Oklahoma legislature about one-third of the councilmen and one-fifth of the representatives had seen previous service, most of them outside of that territory.² It is interesting to notice that while the list of members of the Oklahoma legislature of 1899 does not include a single Spanish or Indian name, the list of New Mexico legislators is as un-American as the roll of members of the Spanish Cortes. Another novelty is the provision in the fundamental law of New Mexico that such bills and orders as the legislature shall determine shall be printed in the Spanish language. Mixed nationalities are also evidenced by the presence of an interpreter, a translator and an assistant translator as regular officers of each house of this legislature.

VIII.

Upon taking his seat as a member of the Academy a few months ago, M. Deschanel, then president of the chamber of deputies, delivered a notable address upon " Democracy." In speaking of the progress achieved by the United States, he said: " Not a day passes among this practical, innovating people but some state makes a new experiment in political science."

In their systems of representation, however, the Americans have certainly shown themselves rather practical than

¹ In the house representation is by counties. Four elect one each ; three, two; two, three; two, four.

² In New Mexico five of the Councillors and seven of the Representatives had served a previous term in the Legislature.

innovating; their experiments have been rather in the way of adaptation than of invention. Indeed, a survey of the representative systems throughout the Union leaves an impression of general conformity to a common type quite overshadowing minor variations. It is the lack of individuality that is striking. Everywhere the legislature is bicameral; the upper chamber is usually elected for a longer term, and renewed gradually. The relative numbers in the two chambers, however, vary greatly; in the newer states and in the territories one to two, or one to three, seems to have been fixed upon as the normal ratio, but in the older states, where local tradition holds theorizing in abeyance, it becomes one to ten, as in Connecticut, or even one to fifteen, as in New Hampshire.

In deference to the modern interpretation of the demands of equality, in the newer states, counties and towns give place to districts containing approximately equal blocks of population, as the basis of representation.

In personnel the influence of the basis chosen for representation is often clearly discernible; when the local community, as such, regardless of population, is accorded representation the proportion of farmers rises to an abnormal degree, as in New Hampshire and Connecticut. The characteristic industries of different sections naturally find reflection in the legislatures: thus, the manufacturers of the east give place to merchants and miners in the central and western states. Lawyers are everywhere a prominent element, though rarely in the majority.

In his more striking than convincing discussion of the "Causes of Anglo-Saxon Superiority," M. Demolins devotes a chapter to a comparison of the political personnel in France with that in England.—Book III., Ch. 1. He lays great stress upon his demonstration that whereas the French chamber of deputies is "an inverted pyramid," its representatives of the rank and file of the people, of those engaged in agriculture, industry and commerce, being outweighed more than

three to one by members of the liberal professions,¹ officials, and men of no profession, in the English house of commons, on the other hand, the representative pyramid rests on a broad base of representatives from the callings in which the mass of the citizens, and not the privileged few, are engaged. It is not the present purpose to challenge the validity of this comparison, although at first glance the question might suggest itself, whether, for example, the members who are accredited to agriculture in the two countries really belong to the same social and economic class, and whether the large group under the title "No Profession" has not its counterpart in the English commons. It is of interest, however, to note that American state legislatures follow much more closely the English rather than the French type. The absence of officials in the lists of members of American legislatures is necessitated by stringent provisions of the constitutions. It is to be remembered, on the other hand, that both the house of commons and the chamber of deputies are *national* legislative bodies, in a system of government in which not the severance but the merging of the legislative and executive departments is the characteristic feature.

Comparative Personnel of Legislatures.

OCCUPATION.	France Ch. of D.	England H. of C.	Connecti- cut H. R.	Michigan H. R.	Louisiana H. R.	South Dakota H. R.
Office Holders	17.2	8.1	2.0		1.0	
Army and Navy	1.0	11.1				
Liberal Professions (Lawyers)	49.0 (25.2)	18.4 (8.9)	11.8 (19.)	25.0 (24.0)	27.6 (4.6)	5.7 (4.6)
Commerce	4.0	17.2	22.7	20.	28.6	17.2
Industry	7.4	22.5	20.0	13.	3.1	13.8
Agriculture	13.0	22.8	40.2	41.	36.7	63.2
No Profession	7.8	3.3	1.	1	1	

There can be no doubt that in the last quarter of a century state legislatures have fallen much in general esteem.

¹ Indeed, the lawyers alone exceed by three the aggregate number of deputies from agriculture, industry and commerce.

Critics, American not less than foreign, unite in attributing to them the worst faults of state governments. The people, like Frankenstein, have come to distrust and fear their own creature and servant. In many ways they seek to curb the legislature's power for evil, even if its power for good be checked at the same time. Sessions are limited; the competence of the legislature is sharply defined, both as to the subjects upon which it may make laws and the methods of legislative procedure; conventions are summoned, and the opportunity is seized to pack all sorts and conditions of laws into the constitution, that these they may be safe from the hands of the people's representatives; and, finally, earnest advocates are urging the adoption of direct legislation, frankly acknowledging that it would make of the legislature merely a consultative body with no serious responsibility upon any measure of moment.

The purpose of the present series of papers has been, not to assail or to defend any particular system of representation, but simply to analyze the actual systems in operation in the several states. Inadequate as this survey has been,—imperfect as it must be, from the very nature of the material,—it may, nevertheless, serve as the basis for directing attention anew to some of the familiar causes of the deterioration observable in many of our legislatures. Assuming for the moment that legislation through representatives, rather than by the voters in primary assembly, is desirable, the question becomes, why do we get such unworthy representatives? The old saying, that every people has the government that it deserves, might, with almost equal truth, be applied to our bodies of representatives. Whatever their defects, ultimate responsibility for their shabby work must rest upon the electors who have put them in office. If we flatter American pride by assuming that the vast majority of the electors are men of integrity and public spirit, where shall the responsibility for the miscarriage of the representative system be placed?

In the first place, it is evident that not a few of the evils in our present system arise out of an illogical assignment of functions to the state legislatures. It needs no argument to prove that the choice of United States senators is not at all a legislative act. DeTocqueville to the contrary, it may be doubted whether this indirect election has ever been a cause contributing materially to the excellence of the senate. But that it has been a source of disorganization and corruption to the electing body, the slightest familiarity with the last half decade's politics in New York, Pennsylvania, Ohio, Delaware, Oregon, California, and Montana,—not to extend the list unduly,—leaves no room to doubt. "There is no knife so sharp as legislation," says Emerson. An amendment introducing the election of senators by the people might have consequences for the senate quite other than those ordinarily predicted; it may well be questioned whether the personnel of the senate would be improved by the change. Majorities can be as adroitly managed at the polls as in the legislature; it has been claimed that popular election would have given us Quay, and Clark, and perhaps Addicks, as members of the present senate. There is more ground for urging popular choice with a view to bettering the state legislatures. It would at least remove the blur from the voter's mind in the state election; he would no longer be called upon to vote for an official whose main business, ostensibly, would be to determine matters relating to education, business law, taxation, etc., but whose chief function would really be the choice of a dispenser of federal patronage. From the state legislator, also, the popular choice of senators would remove a frequent source of temptation to look upon state politics merely as a pawn in the larger game, if to do nothing more palpably discreditable.

The last few years have emphasized another evil, growing out of the apportionment of powers between Congress and the state legislatures, entirely unforeseen by the framers of the constitution. Power to regulate commerce between the

states is given to Congress; but the power to incorporate companies which shall do business, it may be on the other side of the continent, is left in the hands of the state legislatures. The evil consequences are too familiar to need enumeration. "Wheresoever the carcase is, there will the eagles be gathered together." With the opportunities for plunder what they are, what are the chances, as a mere problem in probabilities, that a New Jersey legislature, with its seat midway between New York and Philadelphia, will remain free from all taint of corruption throughout its session?¹

In voting for state legislators men usually follow the line of least resistance in accepting the nominations of their respective parties. Indeed, this becomes almost inevitable where the shadow of an approaching election of United States senator is to be seen. Yet the spheres of action of Congress and of the state legislature have comparatively little in common. Capacity for serving the commonwealth's varied needs should be the one thing sought. Greater freedom of nomination must be recovered, if legislatures are to be improved. It is but the empty husk of representation, where the candidate is the choice, not of the men who are to elect him, but of the "ring,"—where Platt or Croker names *his* representative, and whips us all into line to register his will under the lash of "loyalty to party."

Aside from these conditions associated with the federal system, there are others connected with the state constitutions and their administration, which conduce to unsatisfactory results in the legislative bodies. Two of these are among the unfortunate corollaries of a new and ill-considered notion of equality. In many states by specific constitutional requirement, and practically everywhere by custom, it is insisted that a legislator must be a resident of the constituency which he represents. Congress has sanctioned this requirement by making it law for each of the territories. It

¹ Much stress is laid upon this point by Mr. Eltweed Pomeroy, Secretary of the Direct Legislation League of New Jersey.

would be easy to prove that this sentiment is "un-American," in the sense that in the earliest colonial legislatures this insistence upon residence within the district did not obtain.¹ It is not less easy of proof that despite the member's more minute knowledge of his district's needs, representation is degraded by this restriction. It leads the member to regard the local, the petty, as outweighing the general interest; is it not to his own district that he standeth or falleth?² It narrows the field of choice, if indeed it does not at times foreordain that the member must be of little fitness, moral or intellectual, for legislative work. It discourages men of merit from consenting to become candidates, and checks many a career which has opened with promise of great advantage to the public.

The second unfortunate corollary of the growing American notion of equality is the insistence upon narrowing the constituency. The vast majority of the members of American legislatures are elected from single-member districts. The results are most odious in those states where no regard is paid to population, as in the Connecticut house and Rhode Island senate, where the influence of large and flourishing cities, teeming with the characteristic industries of the state, is balanced by that of an equal number of rapidly dwindling country towns. When coupled with the insistence upon residence within the district, this narrowing of the constituency puts absurd restraint upon the range of choice of material for the legislatures. Even if one be a firm believer in the impracticability of proportional representation,

¹ During the first sixty years of representative government in the Massachusetts Bay Colony it was quite the custom for distant towns to choose, as their deputies, gentlemen living nearer the centre of the government. Residence within the constituency was first required in 1694.—"Representation and Suffrage in Massachusetts," 1620-1690, p. 24.—George H. Haynes.

² "If by a fair, by an indulgent, by a gentlemanly behaviour to our representatives, we do not give confidence to their minds, and a liberal scope to their understandings; if we do not permit our members to act upon a *very* enlarged view of things; we shall at length infallibly degrade our national representation into a confused and scuffling bustle of local agency."—Burke, Speech at Bristol previous to the Election. "Works," ii, p. 130.

he cannot fail to recognize grave elements of injustice and of impolicy in the single-member system. It is unjust that large minorities—made minorities, very likely, only by a skillful gerrymander—should be allowed no voice in the discussion of the affairs of the state within the legislature. Yet Illinois is the only state which takes any notice of this injustice. A single illustration will suffice. In two adjoining states the results of the election in 1898 were as follows:

STATE.	PARTY.	Percent- age of vote for Governor.	Percent- age of members, Senate.	Percent- age of members, House.
Illinois	Republican	51.1	66.6	52.9
	Democrat	46.2	31.4	46.4
	Prohibition	1.3	...	.7
	People's . . . .	.9	2.	
	Socialist Labor . . .	.5		
Wisconsin	Republican	52.6	93.9	81.
	Democrat	41.1	6.1	19.
	Prohibition	2.4		
	People's	2.6		
	Socialist Democrat . . .	.8		
	Socialist Labor . . . .	.4		
	Scattering . . . .	.1		

The contrast in party showing between the Illinois senate and house is itself instructive, since for the senate the single-member district is the unit. The closeness of correspondence between the party vote for state officers and party representation in the house is evidence that the leading minority party does here secure representation very nearly in proportion to its strength. In Wisconsin, on the other hand, the minority's showing is far from proportionate. If it be true, as Pym asserted, that "the best form of government is that which doth actuate and inspire every part and member of a state to the common good," it can hardly be contended that this single-member system, with its discouragement of all political effort on the part of nearly half of the electors,

will bear the test. Another element in the impolicy of the system is the instability to which it leads; for if the plurality be but small, the turning of only a few votes entirely reverses the influence of this constituency.

The discussion in the last few paragraphs has proceeded upon the assumption that representative government, or rather, legislation through representatives, is desirable. But is that assumption warranted? Already South Dakota has adopted both the initiative and the referendum; other states have taken preliminary steps in the same direction. There is no disputing the growth of sentiment in favor of direct legislation—a sentiment which took its rise in the fear and distrust generated by the scandalous work of many a legislature, but which now finds its chief support in a distorted theory of democracy. The attack is no longer merely upon bad representatives—it is upon representation itself.

Whether we deem representative government worth preserving will depend largely upon what we think a representative should be. If he is to be simply a mouthpiece, a transmitter, for declaring upon each question the opinion of his constituents, representation may well be regarded as of doubtful utility, if not of probable danger. But such was not Burke's conception of this office. To his Bristol constituents he boldly declared: "I did not obey your instructions: No. I conformed to the instructions of truth and nature and maintained your interest, against your opinions, with a constancy that became me. A representative worthy of you ought to be a person of stability. I am to look, indeed, to your opinions; but to such opinions as you and I *must* have five years hence. I was not to look to the *flash* of the day. I knew that you chose me, in my place, along with others, to be a pillar of the state, and not a weather-cock on the top of the edifice, exalted for my levity and versatility, and of no use but to indicate the shifting of every fashionable gale."¹

¹ Speech at Bristol previous to the Election, 1780.

That representation at its best possesses excellencies which direct legislation can never claim, may be seen by contrasting the solemn sense of responsibility, the patience of debate, the tireless search for and comparison of precedents, the forbearance where concession was necessary, which characterized the constitutional convention of 1787, with the windy harangues, the crude logic and the wild denunciations which greeted its masterly work in the town meeting and county court. That the ratification of the constitution would have been impossible, had it been left to the decision of the people instead of to that of their representatives, no student of history can deny.

In the success which has attended American government thus far no small element has lain in the fact that from the beginning the people have chosen to put checks upon their own action. Says Webster: "We are not to take the will of the people from public meetings, nor from tumultuous assemblies, by which the timid are terrified, the prudent are alarmed, and by which society is disturbed. These are not American modes of signifying the will of the people, and they never were. If anything in the country, not ascertained by a regular vote, by regular returns and by regular representation, has been established, it is an exception, and not the rule; it is an anomaly which, I believe, can scarcely be found."¹

If in recent years many representatives have proved unworthy, the vital questions are: Why did we elect men so weak or so vicious? have we surrounded them with temptations which are almost irresistible? The average voter wants good laws; but he is far better qualified to judge of the intelligence and integrity of a man than to decide intricate questions of economics and politics. The lack of representation greatly hampered the governments of Greece and of Rome; it was among our own Germanic forefathers that it took its rise. If the spirit and teaching of Burke and of

¹ Webster's "Works," vi, p. 225.

Webster are not entirely outworn, English-speaking men will not grudge their best efforts to make good their faith in representation before reverting to the crude law-making processes which it displaced centuries ago. It is futile to drift along with the lazy plea that it is too hard work to reform our state legislatures. Eternal vigilance will ever be the price of liberty. What the present problem demands is not the devising of new and more complicated machinery, but the courageous and persistent bringing to bear of the old-fashioned virtues of fair-dealing and honesty upon the choice and guidance of our representatives. If it be a hopeless task to find any means of enlisting these homely virtues in so simple a task as the choice of representatives, then is our faith in democracy vain.

GEORGE H. HAYNES.

Worcester Polytechnic Institute.

PERSONAL NOTES.

AMERICA.

Bowdoin.—Dr. G. S. Callender¹ has been appointed Professor of Political Economy and Sociology at Bowdoin College, succeeding Professor Emery. In recent years Dr. Callender has been Instructor in Political Economy in Harvard University.

Brooklyn Polytechnic Institute.—Dr. Frank Wadleigh Chandler, formerly Instructor, has recently been appointed Assistant Professor of Literature and History at the Brooklyn Polytechnic Institute. Born in Brooklyn, June 16, 1873, he attended public schools and the Polytechnic Institute, where he obtained the degree of Bachelor of Arts, 1894. He pursued graduate studies abroad in Oxford, London and Paris, and at Columbia University, where he received the degree of A. M. in 1896 and Ph. D. in 1899.

Bryn Mawr College.—Professor Lindley M. Keasbey² has been appointed Professor of Political Science at Bryn Mawr College, where he has occupied a professorship since 1894. His more recent publications include:

“*The Nicaragua Canal and the Monroe Doctrine.*” New York: Putnams, 1896.

“*The Economic Foundations of Society.*” (Translated from the French of Achille Loria and edited with translator’s preface.) London: Swan Sonnenschein, 1899.

“*Political Relations of the United States with the Far East.*” ANNALS, May, 1899. Supplement.

“*The Terms and Tenor of the Clayton-Bulwer Treaty.*” ANNALS, November, 1899.

“*The Political Aspects of the Canal Question.*” Review of Reviews, November, 1899.

“*The Urgent Need of Inter-oceanic Communication.*” Political Science Quarterly, December, 1899.

“*The Institution of Society.*” International Monthly, April, 1900.

Columbia University.—Mr. James Thomas Shotwell has been appointed Assistant in History at Columbia University. He was born

¹ See ANNALS, vol. x, p. 253, September, 1897.

² See ANNALS, vol. v, p. 104, July, 1894.

at Strathroy, Ontario, and graduated from the University of Toronto with the degree of A. B. in 1898. He has since been engaged in post-graduate study at Columbia University.

Columbian University.—Dr. Max West has been appointed Associate Professor of Social Economics in the School of Graduate Studies at the Columbian University, Washington, D. C. He was born November 11, 1870, at St. Cloud, Minn., and received his college education at the University of Minnesota, where, in 1890, he obtained the degree of B. S. After some experience in newspaper work at Minneapolis, he went to Columbia University for graduate study, and received the degree of Ph. D. in 1893. He then took up settlement work in Chicago and at the same time occupied the position of Honorary Fellow in Political Economy, 1893-94, and Docent in Sociology, 1894-95, in the University of Chicago. In 1895 Dr. West was on the editorial staff of the *Chicago Record*, and in the fall of that year became lecturer on Taxation and Finance at Columbia University, during the absence of Professor Seligman. In 1896 he entered the government service in the Division of Statistics of the United States Department of Agriculture.

Dr. West is a Councilor of the American Economic Association, a member of the American Academy of Political and Social Science, the American Statistical Association, and the Washington Economic Society. Besides a large number of signed and unsigned reviews in the economic journals, Dr. West has written:

"*The Inheritance Tax.*" Columbia University Studies in History, Economics and Public Law, Vol. IV, No. 2. New York, 1893. 8vo, 139 pp. (Second edition in preparation.)

"*The Gould Millions and the Inheritance Tax.*" Review of Reviews, February, 1893.

"*The Theory of the Inheritance Tax.*" Political Science Quarterly, September, 1893.

"*Le taxe successorale.*" (Translation of the above.) Revue de l'enregistrement (Paris), 1895.

"*The Teachings of Political Economists Defining Direct and Indirect Taxes.*" New York, 1895. 8vo, 38 pp. (Submitted to the Supreme Court in the Income Tax Cases.)

"*Chicago Commons and Its Summer School.*" Our Day and the Altruistic Review, October, 1895.

"*Progressive Inheritance Taxes.*" North American Review, May, 1897.

"*State Aid to Agriculture.*" The Gentleman Farmer, July, 1897.

"*The Legality of Progressive Taxation.*" North American Review, December, 1897.

"*The Franchises of Greater New York.*" Yale Review, February, 1898.

"*Washington Franchises.*" (Communication in "Notes on Municipal Government.") Annals of the American Academy of Political and Social Science, May, 1898.

"*Our New War Taxes.*" American Monthly Review of Reviews, July, 1898.

"*Recent Inheritance Tax Statutes and Decisions.*" Journal of Political Economy, September, 1898.

"*The Public Domain of the United States.*" Yearbook of the Department of Agriculture, 1898.

"*Municipal Franchises in New York.*" Chapter V of Municipal Monopolies (Library of Economics and Politics), 1899.

"*The Nature of Municipal Franchises.*" (Abstract of a paper read before the American Economic Association, New Haven, 1898.) Supplement to Economic Studies, April, 1899.

"*The Distribution of Property Taxes between City and Country.*" Political Science Quarterly, June and September, 1899.

"*The Fourteenth Amendment in the Light of Recent Decisions.*" Yale Review, February, 1900.

"*The Sociology of the Kindergarten.*" Outlook, June 23, 1900.

"*A List of Free Employment Agencies for the Use of Farmers.*" United States Department of Agriculture, Division of Statistics, Miscellaneous Bulletin No. —, 1900. (In press.)

"*Unemployment and Some of Its Remedies.*" A paper read before Section I of the American Association for the Advancement of Science, New York, 1900.

The Hon. Carroll D. Wright has been appointed Professor of Statistics and Social Economics in the School of Jurisprudence and Diplomacy in Columbian University at Washington, D. C. Some time since the ANNALS published a notice of Mr. Wright's life and activity.¹ It gives us pleasure to add that in 1897 Mr. Wright received the degree of Ph. D. from Dartmouth College, Hanover, N. H. On the death of President Walker, he was elected President of the American Statistical Association, and is affiliated with the following organizations in addition to those already named: Fellow, Academy of Political Science; National Geographic Society; Washington Academy of Sciences; President, Washington Economic Society; International Association for Comparative Jurisprudence and Political Economy; associate member, Statistical Society of Paris; corresponding member, Institute of France; honorary member, Imperial Academy of Sciences, Russia.

¹ See ANNALS, vol. vii, p. 86, January, 1896.

Mr. Wright has added to his long list of official reports the following:

"*Work and Wages of Men, Women and Children*" (1895-96); "*The Housing of the Working People*" (1895); "*Economic Aspects of the Liquor Problem*" (1897); "*The Italians in Chicago*" (1897); "*Hand and Machine Labor*" (1898); "*Water, Gas and Electric Light Plants under Private and Municipal Ownership*" (1899); "*History and Growth of the United States Census*" (1900).

He has also published:

"*American Labor.*" In *One Hundred Years of American Commerce*, New York, 1895.

"*The Federal Census.*" The Forum, January, 1896.

"*Criminal Statistics.*" Catholic University Bulletin, April, 1896.

"*Workmen and Wages in the Textile Industry.*" In *Jubilee Number of Dry Goods Economist*, New York, 1896.

"*Prison Labor.*" North American Review, March, 1897.

"*The Industrial Progress of the South.*" In *Proceedings of Thirteenth Annual Convention of National Association of Officials of Bureaus of Labor Statistics*, Nashville, May, 1897.

"*Francis Amasa Walker.*" An address delivered before the American Statistical Association, at Boston, April 16, 1897. Printed in *Publications of American Statistical Association*, June, 1897.

"*Art in Relation to Social Well Being.*" Munsey's, July, 1897.

"*Do Labor-Saving Machines Deprive Men of Labor?*" Chautauquan, August, 1897.

"*Are the Rich Growing Richer and the Poor Poorer?*" Atlantic Monthly, September, 1897.

"*Are Women Hurting the Chances of Men in Business?*" Chautauquan, October, 1897.

"*The Relation of Production to Productive Capacity,*" Part I. Forum, November, 1897.

"*Building and Loan Associations.*" American Supplement to *Encyclopedia Britannica*, New York, 1897.

"*Benefit Societies.*" American Supplement to *Encyclopedia Britannica*, New York, 1897.

"*Labor Organizations.*" American Supplement to *Encyclopedia Britannica*, New York, 1897.

"*The Relation of Production to Productive Capacity,*" Part II. Forum, February, 1898.

"*Industrial Arbitration in Congress.*" Gunton's Magazine, April, 1898.

"*Outline of Practical Sociology.*" Pp. 431. New York, N. Y., 1899.

"Religion and Sociology." An address delivered before National Conference of Unitarian Churches, Washington, D. C., October 19, 1899. Printed in Christian Register, November 2, 1899, and in Proceedings of Congress.

"Advantages of a Uniform Classification of Commercial Statistics by Different Countries." An address read before International Commercial Congress at Philadelphia, Pa., October 23, 1899. Printed in Proceedings of Congress, same date.

"Prison Labor." Catholic University Bulletin, October, 1899. Also in Proceedings of Annual Congress of National Prison Association, Hartford, Conn., September 23-27, 1899.

"The United States." In Statesman's Year Book for 1899, American edition.

"The Economic Development of the District of Columbia." An address read before Washington Academy of Sciences, April 22, 1899. Printed in Proceedings of the Academy, December 29, 1899.

"Hand and Machine Labor." Gunton's Magazine, March, 1900.

"Savings Institutions as a Social Force." American Banker, May 23, 1900.

"Reasons for Low Wages in the South." Leslie's, June 9, 1900.

"The Commercial Ascendancy of the United States." Century Magazine, July, 1900.

Harvard University.—Mr. A. Lawrence Lowell¹ has been appointed Professor of the Science of Government at Harvard University. Mr. Lowell has recently written:

"Colonial Civil Service, 1900." (Conjointly with Professor H. Morse Stephens.)

"The Judicial Use of Torture." Harvard Law Review. December, 1897, and January, 1898.

"Les partis Politiques aux Etats-Unis." Revue du Droit Public. January-February, 1898, and March-April, 1898.

"Oscillations in Politics." ANNALS, July, 1898.

"Colonial Expansion of the United States." Atlantic Monthly, February, 1899.

"The Government of Dependencies in Foreign Relations of the United States." Supplement to ANNALS, May, 1899.

"The Status of Our New Possessions." A third view. Harvard Law Review, November, 1899.

Johns Hopkins University.—Dr. E. Dana Durand² has been appointed Lecturer on American Finance for the ensuing year at the Johns Hopkins University. Professor Durand has occupied the post

¹ See ANNALS, vol. x, p. 255, September, 1897.

² See ANNALS, vol. x, p. 431, November, 1897.

of Assistant Professor of Finance and Administration at the Leland Stanford University since January, 1898, and is at present on leave of absence in Washington, where he is acting as editor for the Reports of the Industrial Commission. He has recently published:

"Political and Municipal Legislation in 1897." ANNALS, March, 1898.

"Political and Municipal Legislation in 1898." ANNALS, March, 1899.

"Taxation as a Partial Substitute for Borrowing for Permanent Municipal Improvements." Report Annual Meeting American Economic Association, 1900.

"Council Government vs. Mayor Government." Political Science Quarterly, September, 1900.

Mr. William Franklin Willoughby has been appointed lecturer in Social Economics at the Johns Hopkins University. He was born at Alexandria, Va., July 20, 1867, and after passing through the Washington High School, attended the Johns Hopkins University from which he graduated in 1888 with the degree of A. B. Since 1889 he has been a statistical expert in the Department of Labor at Washington. He has pursued numerous investigations for the Department in Europe and represented it at a number of international gatherings. Mr. Willoughby is a member of the Royal Statistical Society of London and of the American Economic and American Statistical Associations. He has published a large number of articles in the scientific journals. His more recent writings are:

"Workingmen's Insurance." 1898. 386 pp.

"United States Government and Administration." (In collaboration with W. W. Willoughby,) Johns Hopkins Studies in History and Politics.

"Schools for Recruiting the Civil Service in France." Annual Report Commission of Education, 1891-92.

"State Activities and Politics." Annual Report of the American Historical Association, 1890.

"Statistical Publication of the United States Government." ANNALS, Vol. II.

"The Musée Social in Paris." ANNALS, January, 1896.

"Statistique des Accidents des Employés de Chemins de fer aux États-Unis." A paper read before the Congrès International des accidents du travail at Milan, 1894.

"Insurance Against Unemployment." Political Science Quarterly, 1897.

"Government Publications." Yale Review, 1896.

"The Sociétés de Secours Mutuels of France." Yale Review, 1897.

"*The Concentration of Industry in the United States.*" Yale Review, 1898.

"*The Modern Movement for the Housing of the Working Classes in France.*" Yale Review, 1899.

"*Present Labor Problems in France.*" Quarterly Journal of Economics, 1899.

"*Industrial Communities in Europe.*" Five articles in Bulletin of the United States Department of Labor, Nos. 3, 4, 5, 6, 7.

"*The Inspection of Factories and Workshops in the United States.*" Bulletin of the United States Department of Labor, No. 12.

"*Foreign Labor Laws.*" A series of articles in the Bulletin of the United States Department of Labor, Nos. 25, 26, 27.

Leland Stanford.—Professor Amos G. Warner,¹ who had retired from his academic duties on account of ill health, died at Las Cruces, New Mexico, January 17, 1900. His failing health dated from 1894, and while he made at times strenuous efforts to resume active labors, his latter years were spent chiefly in the effort to regain strength. His last published work, apart from some newspaper writing, was a paper on "Politics and Crime," published in the Proceedings of the National Prison Association of 1895. His work on "American Charities" was published in 1894. He also published in the September, 1894, issue of the American Statistical Association Quarterly an article on

"Causes of Poverty Further Considered."

Massachusetts Institute of Technology.—Dr. William Z. Ripley² has been promoted to the position of Associate Professor of Economics and Sociology in the Massachusetts Institute of Technology. He has published in recent years:

"*Une carte de l'Indice Céphalique en Europe.*" L'Anthropologie, 1896.

"*Ethnic Influences in Vital Statistics.*" Publications of American Statistical Association, 1876.

"*Bibliography of the Anthropology and Ethnology of Europe.*" Bulletin Boston Public Library. 1899.

"*The Races of Europe.*" New York, 1899. Pp. xxviii, 640.

"*Colored Population of African Descent.*" Federal Census. Publications of American Economic Association. New series. Vol. II. 1899.

"*Ethnic Theories and Movements of Population.*" Quarterly Journal of Economics, 1900.

Mercer University.—Dr. Edmund Cody Burnett has been appointed Professor of History and Philosophy in Mercer University, Macon, Ga. He was born at Franklin, Alabama, and received his

¹ See ANNALS, vol. iv, p. 461, November, 1893.

² See ANNALS, vol. vi, p. 292, September, 1895.

early education in private schools and the Carson and Newman College, Mossy Creek, Tenn., where he received the degree of A. B. in 1888. Entering Brown University he took the degree of A. B. in 1890. He taught mathematics, and later Greek and modern languages at the Carson and Newman College, and in 1894 became Instructor in Greek, at Brown University. Devoting himself to historical studies, he occupied the posts of Instructor in History, 1895-99, and Assistant in Political Economy, 1897-99. In 1897 Brown University conferred upon him the degree of Ph. D. In 1899 he became Professor of English and German at Bethel College, Kentucky. Dr. Burnett has published:

"Government of Federal Territories in Europe." Report of American Historical Association, 1896.

"Guide to Lists and Descriptions of American Historical Manuscripts," Ibid. 1897.

University of Minnesota.—Dr. Frank L. McVey¹ has been recently appointed Professor of Economics in the University of Minnesota. He entered the institution as Instructor in 1896 and was made Assistant Professor in 1898. His recent writings are:

"The Tin Plate Industry." Yale Review. November 1898.

"The Tin Plate Combination." Ibid. August, 1899.

"The Handbook of Minnesota," 1898.

University of Nebraska.—Mr. Charles Sumner Lobingier has been appointed Professor of Law in the University of Nebraska. He was born April 30, 1866, at Lanark, Ill., but spent his early boyhood in New York and New England. He attended the Nebraska State University, both academic and law departments, receiving the degrees of A. B. in 1888, M. A. in 1892, and LL. M. in 1894. Upon completing his undergraduate work he was also elected to membership in the Phi Beta Kappa Society, and subsequently attended the Harvard Law School. From 1888 to 1892 he was Assistant Reporter of the Nebraska Supreme Court and State Librarian. In 1891 he was Associate Compiler of the Consolidated Statutes of Nebraska, and is now Vice-President of the State Historical Society. Since 1892 he has been in the active practice of law in Omaha. He has also been engaged in legal literary work, and has contributed more than thirty articles to the encyclopedias of law and of practice, the following among them being directly within the sphere of political science, legal history, or comparative jurisprudence:

"Constitutional Law." Encyclopedia of Law (second edition), Vol. 6.

"Equity." Encyclopedia of Law (second edition), Vol. 11.

"Governor." (The office treated from a legal and historical standpoint.) Encyclopedia of Law (second edition), Vol. 14.

¹ See ANNALS, vol. viii, p. 360, September, 1896

Mr. Lobingier has also written:

"*Citizenship of Hawaiians.*" The Nation, December 16, 1897.

"*Some Peculiar Features of the Nebraska Constitution.*" ANNALS, May, 1900.

Dr. E. Benjamin Andrews¹ has accepted the Chancellorship of the University of Nebraska.

University of North Carolina.—Mr. Charles Lee Roper has been appointed Professor of History at the University of North Carolina. Born April 10, 1870, at High Point, Guilford County, N. C., he attended schools at High Point and Oak Ridge, before entering Trinity College, North Carolina, from which he graduated with the degree of A. B. in 1892. Becoming instructor of Greek and Latin at his *Alma Mater* upon graduation, he went in 1894 as professor in these branches to Greensboro College, Greensboro, N. C. In 1898 he became university fellow in American History at Columbia University, where he has since been engaged in graduate study. His writings include:

"*The Church and Private Schools of North Carolina.*" 1898. Pp. 247.

"*The Royal Government of North Carolina.*" (In preparation.)

Ohio State University.—Dr. Frederick C. Clark,² of the Ohio State University, has recently been appointed Professor of Economics and Sociology at that institution. Professor Clark has recently been active in the establishment in the university of a four-year course in Commerce and Administration. His recent publications include:

"*Nicaragua Canal.*" Columbus Despatch, December 6, 1898.

"*Higher Education in Commerce.*" Indianapolis, 1889.

"*Vital and Social Statistics in Ohio for 1898.*" Report of the Secretary of State.

University of Pennsylvania.—Dr. Edward Sherwood Meade has been appointed Instructor in Commerce and Industry at the University of Pennsylvania. He was born at Medina, O., January 25, 1874, obtained his early education in the Oberlin High School and Oberlin Preparatory School, entering Oberlin College in 1892. In 1893 he went to DePauw University, where he obtained the degree of A. B. in 1896. He pursued graduate studies at the University of Chicago, 1896-98, and at Pennsylvania, 1898-99, where, in 1899, he obtained the degree of Ph. D. During the past year Dr. Meade has been Senior Fellow in Economics at the University of Pennsylvania. He has written:

"*Gold and Silver in Terms of Commodities.*" Journal of Political Economy, March, 1897.

¹ See ANNALS, vol. xiii, p. 91, January, 1899.

² See ANNALS, vol. xlii, p. 110, July, 1898.

"*The Fall in the Price of Silver since 1873.*" *Ibid.*, June, 1897.
" *The Production of Gold since 1850.*" *Ibid.*, December, 1897.
" *The Deposit Reserve System of the National Banking Law.*"
Ibid., March, 1898.
" *The Relative Stability of Gold and Silver.*" *ANNALS*, July, 1899.
" *The Production of Silver since 1893, and its Probable Future.*"
Ibid., November, 1899.

Dr. William Harvey Allen has been appointed Instructor in Public Law at the University of Pennsylvania. He was born at Lerry, Minn., February 9, 1874, and received his early education at the public schools of his native town and the Northfield Academy, Northfield, Minn. In 1891 he entered Carleton College, and in 1894 the University of Chicago. From the latter he received the degree of A. B., in 1897. He has pursued graduate studies at Berlin, Leipsic, the University of Chicago, and the University of Pennsylvania, where, in 1900, he received the degree of Ph. D. Dr. Allen has written:

" *The Illinois Central Tax.*" *Journal of Political Economy*, June, 1897.
" *The Rise of the National Board of Health.*" *ANNALS*, January, 1900.
" *Rural Sanitation in England.*" *Yale Review*, February, 1900.

Princeton University.—Dr. John H. Finley¹ has been appointed Professor of Political Science at Princeton University. Since resigning the presidency of Knox College, Galesburg, Ill., Dr. Finley has been connected with the publishing houses of Harper Brothers, and McClure, Phillips & Co.

South Carolina College.—Mr. George McCutchen has been appointed Instructor in History at the South Carolina College, Columbia, S. C. He was born at Church, S. C., April 16, 1876, and obtained his collegiate education at the South Carolina College, where he received the degree of B. A. in 1898. He has since been engaged in teaching in public schools of South Carolina.

Swarthmore.—Dr. Jesse Herman Holmes has been appointed Professor of History and Biblical Literature at Swarthmore College. He was born January 5, 1864, at West Liberty, Iowa, where he attended the public schools. He entered the University of Nebraska, where he received the degree of B. S. in 1884. Since graduation he has taught in the Friends' Select School at Washington, and the George School, Bucks County, Pa. He has pursued graduate studies at Nebraska 1884-85, Johns Hopkins 1885-86 and 1888-90, and at Oxford 1899-1900, receiving the degree of Ph. D. at Johns Hopkins in 1890.

¹ See *ANNALS*, vol. iii, p. 89, July, 1892.

Wesleyan University.—Dr. Max Farrand¹ has been appointed Hedding Professor of History in the Wesleyan University, Middletown, Conn. Among his recent writings are:

“*The Delaware Bill of Rights of 1776.*” *American Historical Review*, July, 1898.

“*The Judiciary Act of 1801.*” *Ibid.*, July, 1900.

“*Territory and District.*” *Ibid.*, July, 1900.

University of Wisconsin.—Professor William A. Scott² has been appointed director of the newly established School of Commerce at the University of Wisconsin. Dr. Scott has recently published:

“*The Quantity Theory.*” *ANNALS*, March, 1897.

“*Henry George and His Economic System.*” *The New World*, March, 1898.

IN ACCORDANCE with our custom we give below a list of the students in political and social science and allied subjects on whom the degree of Doctor of Philosophy was conferred at the close of or during the last academic year.³

Boston University.—Henry Collier Wright, A. B., B. D. Thesis: *Forms and Means of Social Recreation in the City of Boston*.

Brown University.—Lewis Hamilton Meader, A. M. Thesis: *The Council of Censors*.

Sidney Algernon Sherman, A. B. Thesis: *Advertising: Its History and Present Forms*.

Howard Kemble Stokes, A. M. Thesis: *A Century of Providence's Finances*.

University of Chicago.—Katherine B. Davis, A. B. Thesis: *Causes Affecting the Standard of Living and Wages*.

Jacob Dorsey Forrest, A. M.

Walter Flavius McCaleb, L. B., A. M.

Harry Alvin Millis, A. M. Thesis: *History of the Finances of the City of Chicago*.

Samuel C. Mitchell, A. M. Thesis: *The Change from Colony to Commonwealth in Virginia*.

Worthy Putnam Sterns, A. M. Thesis: *Studies on Foreign Trade of United States*.

¹ See *ANNALS*, vol. xii, p. 111, July, 1898.

² See *ANNALS*, vol. viii, p. 154, July, 1896.

³ See *ANNALS*, vol. i, p. 293, for academic year, 1889-90; vol. ii, p. 253, for 1890-91; vol. iii, p. 241, for 1891-92; vol. iv, p. 312 and p. 466 for 1892-93; vol. v, p. 282 and p. 419, for 1893-94; vol. vi, p. 300 and p. 482, for 1894-95; vol. viii, p. 364, for 1895-96; vol. x, p. 256, for 1896-97; vol. xii, p. 262 and p. 411, for 1898-99; vol. xiv, p. 227, for 1899-1900.

Columbia University.—Julius August Bewer. Thesis: *History of the New Testament Canon in the Syriac Church.*

William Maxwell Burke, A. M. Thesis: *History and Functions of Central Labor Unions.*

George Tobias Flom, B. L., A. M.

William Henry Glasson, Ph. B. Thesis: *History of Military Pension Legislation in the United States.*

Charles Edward Merriam, A. B. Thesis: *The Theory of Sovereignty since Rousseau.*

Samuel Paul Molenaer. Thesis: *Egidio Colonna, Du Gouvernement des Rois.*

Georgetown University.—Francis Xavier Boden, A. M. Thesis: *The Basis of the Kantian Philosophy.*

Erwin Plein Nemmers, A. M. Thesis: *The Existence of an Intelligent First Cause.*

Harvard University.—Abram Piatt Andrew, Jr., A. M. Thesis: *The Ways and Means of Making Payments.*

Sidney Bradshaw Fay, A. M. Thesis: *The Fürstenbund of 1785: A Study in German History.*

Carl Russell Fish, A. M. Thesis: *Political Patronage in the United States.*

William Bennett Munro, A. M. Thesis: *The Feudal System in Canada: A Study in the Institutional History of the Old Régime.*

Subharama Swaminadhan, A. M., LL. B., B. Sc. Thesis: *Custom in Its Juridical Aspect, with Special Reference to the Administration of Oriental Law by British Tribunals.*

State University of Iowa.—Fred D. Merritt, A. M. Thesis: *The Early History of Banking in Iowa.*

Johns Hopkins University.—William Sidney Drewry, A. B. Thesis: *Slave Insurrections in Virginia (1830-1865).*

William Starr Myers, A. B. Thesis: *The Maryland Constitution of 1864.*

George Lovic Pierce Radcliffe, A. B. Thesis: *Governor Thomas H. Hicks of Maryland, and the Civil War.*

Ernest Ashton Smith, A. B. Thesis: *History of the Confederate Treasury.*

Charles Clinton Weaver, A. B. Thesis: *Internal Improvements in North Carolina Previous to 1860.*

University of Pennsylvania.—William Harvey Allen, A. B. Thesis: *Rural Sanitary Administration in Pennsylvania.*

Frederick Albert Cleveland, Ph. B. Thesis: *Statistical materials for four chapters of a work to be entitled History of Prices since 1860.*

James Edward Hagerty, A. B. Thesis: *Recent Changes in the Marketing of Products in Their Effects upon Social Welfare.*

Albert Edward McKinley, Ph. B. Thesis: *Representation and the Suffrage in New Netherlands and New York (1613 to 1691).*

Lewis S. Shimmell. Thesis: *Border Warfare in Pennsylvania During the Revolution.*

Claude Halstead Van Tyne, A. B. Thesis: *The Elimination of the Loyalists by Legal Enactments.*

Princeton University.—Robert McNutt McElroy, A. M. Thesis: *History of the Commonwealth of Kentucky.*

University of Wisconsin.—Delos Oscar Kinsman, B. L. Thesis: *The Use of the Income Tax in the Commonwealths of the United States.*

Mosasada Shiozawa. Thesis: *A Study of the Social and Economic Institutions of Ancient Japan.*

George Ray Wicker, A. M. Thesis: *A Financial History of the New York Colony During the Dutch Period.*

FOR THE academic year 1900-1901, appointments to fellowships and post-graduate scholarships have been made in the leading American colleges, as follows:

Alabama Polytechnic Institute.—*Scholarship in History*, Jesse W. Boyd, B. S.; *in History and English*, James R. Rutland, B. S.

Bryn Mawr College.—*Fellowship in History*, Grace E. McNair, B. L., M. L. *Scholarships in History*, Helen H. Shelley, A. B.; *in Political Science*, Lois Anna Farnham, A. B.

University of Chicago.—*Fellowships in History*, Charles L. Burroughs, A. B.; Mayo Fisher, Ph. B.; Edgar H. McNeal, A. B.; Paul F. Peek, A. B.; George C. Sillery, A. B.; and Eugene M. Violette, A. M. *In Political Economy*, Alfred Lawrence Fish, A. B.; William Buck Guthrie, Ph. B.; Stephen B. Leacock, A. B.; S. Godfrey Lindholm, L. B., and Robert S. Padan, A. B. *In Political Science*, James Dowse Bradwell, Ph. M.; Miss S. P. Breckenridge, Ph. M.; Augustus R. Hatton, Ph. B.; William Edwin Miller, S. B.; Susan Wade Peabody, S. B., and George Winfield Scott, A. B. *In Social Science*, Amy Hewes, A. B.; Ralph G. Kimble, A. B.; Eben Mumford, A. B.; Benjamin F. Stacey, D. B.; and Howard B. Woolston, A. B.

Columbia University.—*University Fellowships in American History*, Charles Worthen Spencer, A. B.; *in Economics*, Alvin Saunders Johnson, A. M., Jesse Eliphalet Pope, M. S., and Albert Concer Whitaker, A. B.; *in European History*, Earl Evelyn Sperry, Ph. B., Ph. M.; *in Political Science*, William Maitland Abell, A. M.,

LL. M., William Brown Bell, A. B., and James Wilford Garner, B. S.; *in Sociology*, Thomas Jesse Jones, A. M.

Harvard University.—*Morgan Fellowship in History and Political Science*, F. S. Philbrick, A. M.; *Paine Fellowship in Political Economy*, F. A. Bushee, A. M.; *Parker Fellowship in History and Political Science*, W. B. Munro, Ph. D., LL. B.; *South End House Fellowship in Sociology*, R. F. Phelps, A. B.; *Edward Russell Scholarship in Political Economy*, C. Bowker, A. B.; *James Savage Scholarship in Ancient History*, H. J. Edmiston, A. M.; *Thayer Scholarships in History and Political Science*, W. S. Davis, A. B., and J. H. Patten, A. M.; *Townsend Scholarships in History*, D. McFayden, A. B.; *in Political Economy*, A. E. Henry, A. M.; *University Scholarships in Government*, J. A. George, A. B.; *in History*, A. H. Newhall, A. M.; *in Political Economy*, B. E. Eames, S. M.

Johns Hopkins University.—*Fellows in Economics*, George Ernest Barnett, A. B.; *in History*, William Elejus Martin, A. M.; *Scholarships in History*, W. K. Boyd, A. B., B. Kilby, A. M., and T. J. Stubbs, Jr., A. B.

State University of Iowa.—*Fellow in Politics and History*, Simeon E. Thomas, Ph. B.; *in Sociology*, George Luther Cady, B. A.

University of Missouri.—*Fellowship in History*, Minnie Organ, B. L.

University of Nebraska.—*University Scholarship*, John James Ledwith, B. Sc.

University of Pennsylvania.—*Harrison Senior Fellows in American History*, Claude Halstead Van Tyne, Ph. D.; *in Sociology*, James Edward Hagerty, Ph. D.

Harrison Fellows in American History, George D. Leutscher, B. L., and Frederick Logan Paxson, B. S.; *in Economics*, Roswell Cheney McCrea, A. B.; *in European History*, William Ezra Lingelbach, A. B.; *in Political Science*, Leonard Anderson Blue, Ph. B. *Honorary Fellow in American Constitutional History*, Albert Edward McKinley, Ph. D. *Bloomfield Moore Fellow in European History*, Caroline Colvin, A. B. *Pepper Fellow in Sociology*, Charlotte Kimball, B. S. *Bennett Fellow in American History*, Miss Lolabel House, A. M.

Harrison Scholar in Political Science, James Whitford Riddle, Jr. *University Scholars in American History*, Percival Taylor Rex, B. S.; *in Economics*, Henry John Nelson, B. S., and Campbell Bascom Slemp; *in European History*, Helen Gertrude Preston, Ph. B.; *in Political Science*, Henry Reed Burch and George Judson Rosebush, A. B.; *in Sociology*, Lee Waldorf, Ph. B.

Princeton University.—*Boudinot Fellowships in History*, Henry Jessup Cochrane and Edward L. Katzenbach; *Fellowship in Ancient*

History and Archaeology, Samuel Bryan Scott; *Fellowship in Ethics*, Joseph W. L. Jones; *Southeast Club Fellowship in Social Science*, Hubert F. Fisher.

University of Wisconsin.—*Fellowships in American History*, Louise Phelps Kellogg, B. L., and Charles McCarthy, B. P.; *Fellowships in Economics*, Margaret Schaffner, A. M., and Allyn Abbott Young, Ph. B.; *Graduate Scholarships in Economics*, Benjamin Horace Hibbard, B. S. A.; *in Political Science*, Lewis Albert Anderson, B. L., and A. B. Davis, A. B.

BOOK DEPARTMENT.

NOTES.

A RECENT REPORT of the French Labor Bureau summarizes in convenient form the German and Austrian experience in the matter of labor accident insurance.¹ The volume gives a brief summary of the laws in both countries and portrays in great detail the results of the laws. The statistical figures given are almost exclusively in the form of ratios, the reader being referred to the publications of the respective states for the absolute numbers. The tables deal with the frequency of accidents in different trades, the causes of accidents and the costs of insurance.

PROFESSOR JOHN R. COMMONS has given us in "Representative Democracy"² the main arguments for direct legislation and proportional representation. The author, who is an authority on the latter subject, addresses his booklet especially to the minority parties in the country. He describes the recent Belgian law on proportional representation and the movements along this line in the United States and European countries. In his chapter on "The Representation of Interests" Professor Commons gives a most interesting and suggestive sketch of our present system of representation. There is also a chapter upon "Preferential Voting" as adapted to labor unions and voluntary associations, and a model statute for the establishment of proportional representation in cities. The most important parts of the book have already been published in the form of magazine articles.

"CIVIL GOVERNMENT SIMPLIFIED"³ is a skeleton outline of the county, state and federal governments of the United States. The author has condensed the information given under these heads in a useful and concise form. Although no attempt at a discussion of principles is made, the pamphlet will prove valuable as a guide for elementary courses in government. A similar statement of municipal

¹ *Bases statistiques de l'Assurance contre les Accidents, d'après les résultats de l'assurance obligatoire en Allemagne et en Autriche.* Pp. 234. Paris, 1899.

² Pp. 100. Paper, 25 cents. New York: Bureau of Economic Research, 35 Lafayette Place. 1900.

³ By J. J. DUVALL. Pp. 35. Price, 25 cents. San Francisco: Whitaker & Ray Company, 1900.

government and of the various county and township systems in other states besides California would be useful. The pamphlet is the first number in a series of "Western Educational Helps."

AN EXACT reprint of Professor Ely's "Outlines of Economics,"¹ originally published in 1893, by Hunt & Eaton, has been added to that author's "Citizens' Library of Economics, Politics and Sociology." The reduced price and more convenient form of the new edition should insure a continuance of its popularity as a text-book.

"PAUPERIZING THE RICH;² An Inquiry into the Value and Significance of Unearned Wealth to its Owners and to Society," by Alfred J. Ferris, is a fascinating study of the social surplus. Strong in his analysis of existing economic tendencies, epigrammatic and profuse in apt illustration of his points, and suggestive in his remedies, the author has discussed to some profit many important problems in the distribution and use of wealth. He approaches his subject from the side of the disinherited masses and their present condition. Charity workers will read with interest what he has to say about the charities of condescension and the charities of equality, including under the former all amounts, large and small, that are given in charity in the ordinary sense, and under the latter the large amounts of relief that the poor give to each other and the inheritances in all classes from the millionaire down. He claims that the sums given as seed-grain to the poor to help them to get back on the plane of independence are altogether inadequate according to the theories of our present charities of condescension, and that there is less danger of pauperizing the poor by large gifts discriminately administered than we generally suppose. Most of the charities of equality do pauperize the rich, it is asserted, and how judiciously to take the surplus from those who are harmed by its possession and to give it to those who would be benefited by its use constitutes the central theme of the book. Unfortunately the remedy proposed, viz., to take the surplus in federal taxes on a few chief products of industry where the increments of profit are large because of race progress, and to distribute the sums thus raised in quarterly dividends to every man, woman and child, though ingeniously worked out and guarded from attack, will strike most economists as too artificial to promise great results.

¹ Pp. xii, 432. Price, \$1.25. New York: The Macmillan Company, 1900.

² Pp. xlii, 432. Philadelphia: T. S. Leach & Co., 1899. Price, 75 cents.

A REMARKABLY THOUGHTFUL and cheery book of essays has appeared from the pen of one who has made an enviable reputation as a popular lecturer and teacher of the thinking masses. "The New Humanism: Studies in Personal and Social Development," by Edward Howard Griggs,¹ contains ten essays. The introductory one on the "Scientific Study of the Higher Human Life," makes an excellent contribution toward the clearing up of some of the perplexing doubts concerning the scope and validity of sociological investigation. The next five essays, on "The Evolution of Personality," "The Dynamic Character of Personal Ideals," "The Content of the Ideal of Life," "Positive and Negative Ideals," "Greek and Christian Ideals in Modern Civilization," give the author's philosophy, which is strong and inspiring though perhaps unnecessarily pagan in its emphasis. He lays entirely too much emphasis upon the non-resistance and self-abnegatory elements in Christianity and does not recognize the rise of a new spirit of aggression and manly activity in the service which the Christianity of to-day is rendering the ideal in life. The last four essays, on "The Modern Change in Ideals of Womanhood," "The Ethics of Social Reconstruction," "The New Social Ideal" and "The Religion of Humanity," deal with modern social problems in a wholesome and vigorous spirit, and are based on wide reading of current scientific literature, without being in the least technical.

A RECENT NUMBER of the Questions of the Day Series is devoted to a discussion by Mr. Frank Hendrick, of the commission system² of regulating railways. The book contains something more than a discussion of railway commissions, as it treats of the regulation of railways in European countries as well as in the United States. The work deals with a timely and very important question, but can hardly be said to do justice to the subject.³

The author has neglected certain necessary sources, such as the reports of the state railway commissions, other than that of Massachusetts, nor has he consulted the recent reports of the Interstate Commerce Commission. There is, furthermore, no reference in the book to the valuable writings of Mr. Knapp, the chairman of the Interstate Commerce Commission; nor does the chapter on the Swiss

¹ Published by the author, and to be had from the American Society for the Extension of University Teaching, 111 South Fifteenth street, Philadelphia. Pp. 239. Price, \$1.60.

² *Railway Control by Commissions*. By FRANK HENDRICK. Pages 161. Price \$1.00. New York and London: G. P. Putnam's Sons, 1900.

³ Contributed by Emory R. Johnson.

railways make any reference to Dr. Dietler's excellent papers published in the *ANNALS*. The treatment of railway regulation in foreign countries is so brief that it has little value, but the most serious defect of the book is the fact that the author fails to appreciate the real significance of the granger legislation. He makes only the usual depreciatory criticism, without calling attention to the important and lasting consequences of the notable movement which resulted in the granger laws. It would seem also that the author has only a superficial knowledge of the work that has been done by the Interstate Commerce Commission, and of what has been, and is now being, accomplished by the railway commissions outside of the State of Massachusetts. Indeed, he fails to appreciate the real nature of the problem with which the Interstate Commerce Commission is dealing. The book is written in an indifferent style, which adds dullness to the other defects of the work.

A VALUABLE CONTRIBUTION to a subject that is becoming almost as vital in the United States as it is in Europe is a little pamphlet entitled "Houses for the Working Classes: How to Provide them in Town and Country."¹ The seven papers contained in this monograph were presented at the National Conference on the Housing of the Working Classes held in London in March, 1900, and attended by upwards of 400 delegates. To them is added a select bibliography by Mr. Sidney Webb which, from the standpoint of completeness, leaves nothing to be desired. The titles of the articles indicate with sufficient accuracy their contents. Mr. Clement Edwards discusses "Bad Housing in Rural Districts," while Miss Constance Cochrane describes "Laborers' Cottages." "Facts as to Urban Overcrowding" are given by Dr. Edward Bowmaker, and are supplemented by Mrs. Phillimore's paper on "The Existing Situation in London: Statistics of the Problem." Then follow articles on the "Powers of Local Authorities," by Councillor W. Thompson, and on "Practical Difficulties as Regards Building," by Councillor H. C. Lander. The pamphlet concludes appropriately with a statement of "General Principles" by Councillor F. Lawson Dodd. It is interesting to note that before adjourning the conference appointed a National Housing Committee to urge appropriate remedial legislation upon the attention of parliament.

IN "CONSTITUTION AND ADMISSION OF IOWA INTO THE UNION"² the author gives a description of the government of Iowa during the

¹ Pp. 48. Price, 1s. London : P. S. King & Son, 1900.

² By Professor JAMES A. JAMES, of Northwestern University. Pp. 54. Johns Hopkins University Studies. Series 18, No. 7. July, 1900.

territorial period and a short discussion of the constitutions of 1844, 1846 and 1857, as well as the conventions which adopted those instruments. Considerable space is devoted to a discussion of the negro question and the bank question as they arose in Iowa.

THE GENERAL COUNCIL of the trade unions of Germany has issued a memorial, prepared by Mr. T. Legien, setting forth the arguments in favor of the laborer's right of association, and describing the restrictions which law and custom now impose on that right in Germany.¹ The exciting cause of this publication seems to have been the opposition to strikes which the German government has recently manifested. In September, 1898, the German emperor was reported to have said that "anyone who incited a strike ought to be imprisoned." Though no legislation of this extreme character has yet been proposed, the advocates of trade unions in Germany seem to fear such action. The memorial gives a clear summary of the reasons in favor of labor organizations based on the views of such writers as Brentano, Kleinwachter and Lexis. This is followed by a digest of the labor laws of Germany bearing on the right of association and an account of the strikes that have occurred in that country during recent years. The principal interest of the volume to American readers is the light it throws on contemporary opinion on the labor question in the Fatherland.

HENRY D. LLOYD's "A Country Without Strikes"² presents a vivid picture of the operation of the compulsory arbitration law of New Zealand. When Mr. Lloyd visited that colony in February, 1899, demands for higher wages and shorter hours were being raised on all sides. He was astonished to find that instead of causing strikes and lockouts, these demands simply called for unusual activity on the part of the board of arbitration. His study of the conduct of this board and of the results of the law to which it gives practical force, has made him an earnest advocate of such a mode of settling labor disputes. The facts which he presents may well give pause to *a priori* opponents of compulsory arbitration. He shows not only that strikes and lockouts have ceased in New Zealand since the act went into force in 1894 and the country has enjoyed unprecedented prosperity, but that public opinion in the colony has swung around to general approval of

¹ *Das Kōalitionsrecht der deutschen Arbeiter in Theorie und Praxis. Denkschrift der Generalkommission der Gewerkschaften Deutschlands.* By T. LEGIEN. Pp. 224. Hamburg: Auer & Co., 1899.

² Pp. xiv, 183. Price, \$1.00. New York: Doubleday, Page & Co., 1900.

the policy of the law, opposition being now confined to matters of detail. The book is introduced by Hon. W. P. Reeves, ex-minister of labor in New Zealand and author of the compulsory arbitration law, who vouches for the accuracy of the author's statements.

"THE MUNICIPALITY"¹ is a bi-monthly publication, issued by the League of Wisconsin Municipalities. The first part of the magazine appeared in July of the present year and contains an article on "The Construction and Maintenance of Streets in Wisconsin Cities" and short discussions of other municipal topics, such as electric light plants, etc. The league is doing considerable work in the education of the people, as well as in the diffusion of practical information among municipal officials.

*Le Fédéralisme Économique*² is the title chosen by Monsieur J. Paul-Boncour for a philosophical study of the present status and future prospects of those economic or "professional" organizations which have grown up between the individual and the state, and of which trade unions may be taken as a type. Though the author has French industrial conditions and the French legal system chiefly in mind, he draws largely on foreign experience before arriving at his conclusions, and states the latter in such general terms that they have more than a local interest. After showing how empty of practical significance in France was the "right to work" established by the Revolution before it was supplemented by the "right to associate" created by the law of March 21, 1884, the author proceeds to explain the relations which in fact do prevail and in theory ought to prevail between professional organizations and the individual, on the one hand, and professional organizations and the state on the other. He maintains that trade unions and similar associations must be accorded limited sovereign power over the acts of their members, so that as they grow in number and size, an economic federation will emerge within the state, or "territorial federation," capable of performing many of the functions now regarded as political. The delimitation of the powers of the state from those of professional associations within the state contemplated by the author, is happily brought out by a reference to the relation between employer and employee. As Brentano has pointed out, the hired-labor system involves two things: (1) the sale of labor and (2) the subordination of the person of the laborer to the

¹ Madison, Wis. The League of Wisconsin Municipalities. Per year, \$1.00.

² Étude sur les rapports de l'individu et des groupements professionnels. Préface de M. Waldeck-Rousseau. Pp. viii, 395. Price, 8fr. Paris: Félix Alcan, 1900.

will of the employer. The author maintains that everything connected with the sale of labor, *e. g.*, the rate of wages, the hours of labor, etc., may be left to the regulation of trade unions; but that the subordination of the person of the laborer to the will of the employer is and must always remain a matter for state regulation. As a whole the work is a valuable contribution to the growing literature treating of voluntary associations and demonstrating the prominent part which these are to play in the economic state of the future.

BARON CHARLES GILLÈS DE PÉLICHY is the author of an exhaustive study of the regulation of labor in the principal seaports of Europe.¹ He divides his work into two parts, of which the first gives a general sketch of contemporary relations between laborers and employers, of the growth of labor unions, of co-operative enterprises, etc., while the second presents a detailed account of labor conditions in each of the thirteen port towns considered. Though originally designed merely as a doctor's thesis treating of Belgian ports, the study has grown to the size of a *magnum opus*, which devotes as much attention to London, Liverpool and Hull as to the ports of any continental country. The "Rules of the Amalgamated Stevedores' Labor Protection League" and of three other dockers' unions constitute an appropriate appendix to the book.

THE LAST VOLUME to be added to the *Bibliothèque du Musée Social* is a study of "Agricultural Syndicates and their Work" by the Count de Rocquigny.² These associations resemble the granger societies of this country and seem to be doing even more to promote co-operation in France than are their brother organizations here. Though only fifteen years old the syndicates now number 2,500 and have a membership of 800,000 farmers. They make possible for their members the joint purchase of materials and sale of products and the acquisition of the latest ideas in regard to agricultural methods. They serve as credit and insurance agencies and enable their members to secure cheap legal advice. Finally they combine into larger organizations and give the farmers of France a distinct political influence. The author writes of their services with the enthusiasm of a believer in the advantages of co-operation. At the same time he supports most

¹*Le Régime du Travail dans les Principaux Ports de Mer de l'Europe.* Pp. 392. Louvain: Polleunis & Ceuterick, 1899.

²*Les Syndicats Agricoles et leur Oeuvre.* By the COMTE DE ROCQUIGNY. Pp. viii, 412. Price, 4 frs. Paris: Colin & Cie, 1900.

of his statements by citations from official sources and arrives at no conclusion that seems unwarranted by the facts he presents. As a whole the monograph is fully worthy a place in the valuable series to which it belongs.

"THE TEMPERANCE PROBLEM AND SOCIAL REFORM,"¹ by Joseph Rowntree and Arthur Sherwell is an encyclopedia of information on the nature and extent of intemperance as a social evil and on legislative and other experiments to control it. It is an English work which passed through five editions within a few months last year, during the period when legislative action on a large scale was being discussed in England. The authors personally studied the workings of the Gothenburg system in Norway and Sweden, and they discuss with great fullness the character and results of prohibitive legislation in different countries. State monopoly and high license are also fully considered, but the authors seem to hope for the best results from the more general adoption of the Norwegian and Swedish methods, perhaps slightly modified to suit local needs. Nearly 200 pages of appendices furnish abundant statistics and other data for the study of the liquor problem, and the book seems to be unusually free from the narrowness and fanaticism which often characterize works of this character.

"LONDON GOVERNMENT"² is an explanation of the changes made in the municipal organization of London by the act of 1899. The law of 1888 creating the Administrative County of London, was admittedly a tentative measure. The pronounced localism of amorphous London prevented, at that time, any solution which would concentrate all administrative power in one central authority. It was, therefore, no surprise that the London Government Act of 1899, made provision for the preservation of this localism by dividing the county of London into twenty-nine subordinate municipalities or boroughs, each possessing an organization similar to that of the regular English municipality. These administrative boroughs were created by grouping the old parishes and by conferring upon the governing authorities of the borough the powers of the old vestries or district boards, as well as those of the library, bath and burial boards, while a few unimportant powers were transferred from the county council.

This second step in the reconstruction of the government of Lon-

¹ Pp. xxiii, 632. London: Hodder & Stoughton, 1899.

² By J. R. SEAGER, L. C. C. Pp. 206. Price, 2s. 6d. London, P. S. King & Son: 1900.

don has not resulted in the creation of separate, self-contained boroughs, but rather in the organization of a group of federated municipalities to attend to those matters which are local as distinguished from the general problems of the county of London. The London county council remains practically undisturbed in the exercise of its former powers, and the more important financial matters acted on by the borough councils require the consent of the county council and the Local Government Board. In addition to this supervision, the borough accounts must pass that same careful scrutiny which is in vogue for the other localities of England.

The new law is an important experiment with the borough system in a large urban centre and its practical working will be watched with great interest. Mr. Seager has placed the essential points of the plan before the reader in a useful and concise form.¹

THE SIXTH ANNUAL ABSTRACT OF LABOUR STATISTICS OF THE UNITED KINGDOM² for the year 1898 to 1899, has just appeared, and contains the usual tables on trade unions, co-operative societies, trade disputes, fluctuations in employment, rates of wages, hours of labor, etc. The completeness of the data presented testifies in an eloquent way to the greater maturity attained by labor organizations in the mother country. Questions which in the United States must still be answered by rough guess, have become there matters for exact statistical information. As compared with those for 1898, the figures for 1899 show gratifying improvement. The percentage of members of trade unions returned as unemployed fell from 3 per cent to 2.4 per cent. The membership of the unions increased from 1,611,384 to 1,644,591, while that of co-operative societies making returns increased from 1,511,152 to 1,593,279. As regards wages and hours of labor progress was even more marked. Weekly wages rose in the aggregate £85,820 during 1899, as compared with a rise of £80,815 during 1898. The hours of labor at the same time fell 114,114 hours during 1899, as compared with a fall of 81,917 hours in 1898. These figures show that the prosperity which the United States has enjoyed during the last year has not been, as so many American newspapers assume, merely a local phenomenon.

THE "BUDGET" is just beginning to receive the attention it deserves from American writers on public finance. Students who wish to familiarize themselves with the most advanced continental opinions

¹Contributed by Dr. Samuel R. Sparling, University of Wisconsin.

²Pp. xv, 214. Price, 11½ d. London: Ryer & Spottiswoode, 1900.

on this subject will find Dr. Karl Willgren's "*Das Staats-budget, dessen Aufbau und Verhältnis zur Staatsrechnung*,"¹ exceedingly serviceable. The work is meritorious not only because it brings together in condensed form the views of such authorities as von Stein, Wagner and Stourm, but because it presents original conceptions of the nature of the budget and of the distinction between direct and indirect taxes. As is so often the case with German works it is without an index.

REVIEWS.

The Distribution of Wealth: A Theory of Wages, Interest and Profits. By JOHN BATES CLARK. Pp. xxviii, 445. Price, \$3.00. New York: The Macmillan Company, 1899.

"It is conceivable that production might go on in an organized way without any change in the character of the operation. Men might conceivably produce to the end of time the same kinds of goods, and they might do it by the same processes. Their tools and materials might never change, and they might not alter for the better or for the worse the amount of wealth that industry would yield. Social production can thus be thought of as static." (P. 28.) It is with such an imaginary static society that Professor Clark's work on *Distribution* deals. "Heroically theoretical" though it is, it differs less from other treatises on the same subject than might at first be supposed. A static society is simply a society in which "natural," "normal" or "competitive" standards prevail; consequently, as the author points out, every writer who speaks of "normal values" or the "normal rate of wages" has such a society more or less clearly in mind. In confining his attention to static relations Professor Clark thus merely adopts, with fuller self-consciousness, the same method that has been employed by all constructive economists since Adam Smith. His merit is to differentiate more sharply than any of his predecessors, a static society from the dynamic state in which we live and to formulate independently the laws applicable to the former, before he turns, as he proposes to do in a second volume, to the complicating circumstances of the latter.

The resulting study is full of original suggestion even to students conversant with the author's earlier writings. Not only is the conclusion as to the law of distribution essentially different from that of any other economist professing the "productivity theory," but the principles upon which it is based are all, or nearly all, fruits of Professor Clark's own analysis. Beginning logically with an emendation to the

¹Pp. x, 137. Helsingfors: Central-Tryckeri, 1899.

accepted marginal utility theory of value, which, as is well known, was itself formulated by Professor Clark independently of Jevons or the Austrians, each important link in the chain of reasoning—the distinction between capital and capital goods, the recognition that capital grows by qualitative rather than quantitative increments, and the perception that "pure capital" brings labor and its ripened fruits together instead of separating them,—has been patiently forged in the author's own workshop. The fact that many of these theories are already common property in no wise detracts from Professor Clark's credit for their origination. It merely testifies to his enlightened practice of making public each new scientific discovery as it has occurred during the twenty years in which he has been a contributor to economic literature.

Appreciating the abstractness of his work, the author has provided all possible aids to its comprehension. In addition to a full index and a running marginal summary of the text, there is a sixteen-page table of contents "containing a condensed statement of the leading idea of each of the chapters." The exact nature of a static society is clearly set forth in the *Preface*, where the changes eliminated from such a state are enumerated as follows: (1) Changes in the number of laborers; (2) in the amount of capital; (3) in the methods of production (including the quality of labor and of capital and the forms of industrial organization), and (4) in the wants of consumers. Finally, all obstacles to free competition are assumed to be absent. In a society conforming to these conditions it is obvious that wealth would continue to be produced and consumed, and that the dominant forces determining the division of wealth between the factors in production would continue to operate. Activity and movement would not be suspended though progress would. A full knowledge of the relations prevailing in such an imaginary, static society is, in the author's opinion, as indispensable to an understanding of the phenomena of the dynamic state of reality, as is a knowledge of the laws of statics to an understanding of the phenomena of dynamics in mechanics.

For convenience of review the treatise may be divided into three parts. The first six chapters are introductory. In addition to explaining at length the distinction between economic statics and economic dynamics, they indicate the moral bearings of the problem of distribution, criticise the traditional four-fold division of economics, on the ground that production and distribution are parallel processes mutually determining each other, and explain the universal principles applicable alike to a Crusoe and a social economy and of which use is made in the discussion which follows.

The second part embraces Chapters VII to XIII, inclusive, and presents a proximate demonstration of the author's main conclusion

that in a static society, profits being eliminated, labor and capital (which includes land) receive as their rewards what they specifically produce. This part is so full of illuminating analysis that it will probably be ranked as the best portion of the book, though it is less subtle than the part which follows.

That competition tends to eliminate profits and to level wages and interest to uniform rates are familiar ideas. The proof that the rates established in a static society by unrestricted competition measure the specific productivity of labor and capital, is Professor Clark's contribution. Henry George suggested one possible demonstration of the productivity theory of wages in stating that wages are fixed by what the farmer cultivating free land can produce by his unaided labor. Though accurate so far as it goes, this statement suggests, when the inconsiderable number of farmers cultivating free land is considered, a situation in which the tail wags the dog. It is also defective since it implies the exploitation of all other laborers save those working on free land. A more plausible demonstration is supplied by reference to the circumstances of those laborers who use no rent instruments of production of all kinds. Still a wider field in which productivity appears to control wages is presented by what the author calls the "zone of indifference" in each industry, that is the situation in which the hired laborer just earns enough for his employer to cover his wages. That many thousands of workmen are thus on the ragged edge of unemployment in every industrial centre does not admit of question. Since competition keeps all wages at a level and such men receive the equivalents of what they produce, it may be stated as a general law that the "final productivity of labor" determines the rate of wages. But this seems again to imply exploitation of laborers not on the margin and is different in terms if not in fact from the author's thesis; "wages equal the specific products of labor." Negative reasoning from a marginal man was the stage to which Von Thünen brought the productivity theory of wages. Clark brought it to the same stage independently and by means of his careful analysis of capital carries it on to his conclusion, which admits no shadow of exploitation.

As President Hadley once stated at a meeting of the American Economic Association, it is a pity that Professor Clark's distinction between capital and capital goods was not made a couple of generations earlier. Nothing that that author or any other contemporary writer has contributed to economic discussion has proved such a solvent of mooted questions. Yet the distinction is simple. Capital goods are the tools, machines, buildings, seeds, mercantile stocks and other concrete aids to production. They are produced and used up in

furthering subsequent production. Each has its life history that may be traced and recorded like the biography of an individual laborer. Capital, on the other hand, is the fund of all capital goods looked at not as concrete instruments but as an abstract productive force. It is perennial, mobile and susceptible of measurement in terms of money. It is what the business man thinks of when he makes an estimate of his "capital" though he bases that estimate on an inventory of the capital goods in his establishment. Comparable with it, is abstract labor force which is also a perennial fund.

Armed with these distinctions between capital force and the concrete forms of capital, and labor force and concrete laborers, the author proceeds to show that distribution in a static society may be regarded as the division of the wealth produced either into four rent funds or into wages and interest. The earnings of capital goods are rents. So are the earnings of individual laborers. The earnings of capital as a whole are again a rent, or a differential, as contrasted with wages determined by the specific productivity of labor. Or, if the student prefers, interest may be shown to be the specific product of capital and wages made to appear as a differential income or rent. In a static society the rent of each instrument of production is its specific product and the rent of all instruments together are the specific products of capital or interest. In the same way the rent of each laborer is his specific product, and the rent of all laborers the specific product of labor as a whole, or wages. Each one of these points is clearly established by the author's analysis. To reproduce it would be to repeat this portion of the book, no part of which is unessential to the argument.

A word should be said, however, touching one link in the reasoning. In tracing the relations that prevail in a static society the author has occasion to show the effect that successive additions of capital have on the industrial organization as society approaches its static state. The supply of labor is assumed to have attained its full static proportions. The supply of capital is doubled. What does this involve? Not a duplication of all the instruments of production in existence, but a complete transformation of these instruments. The carpenter does not want two hammers but one hammer of superior quality. In general, additions to capital when the labor supply is fixed involve qualitative rather than quantitative changes. The point is simple, but one apt to escape attention.

As is implied by what has just been said of the prominence Professor Clark gives to the rent formula in his theory of distribution, he holds the law of diminishing returns to be of general applicability. If the labor supply is fixed each successive addition to capital is less productive than the preceding. If the capital supply is fixed the same

statement applies to successive additions to labor. This view is reconciled with the belief that exploitation has no part in normal distribution by means of the analysis of the qualitative changes in capital just referred to. For example if the labor supply increases, capital being fixed, the capital must deteriorate in order to adapt itself to the needs of the larger number of laborers. Assisted by poorer tools, machines, etc., not only the new laborers but all laborers are less productive than before.

The third part of the work begins with three chapters (XIV, XV and XVI), amending the marginal utility theory of value. That theory treats commodities in their entirety. Professor Clark shows that in reality commodities are valued as bundles of want-satisfying qualities. Just as producers' goods multiply by qualitative increments, so consumers' goods multiply by uniting in each article a larger number of utilities. Each one of these utilities is valued by itself by the group of consumers to which it is marginal. The sum of these separate valuations constitutes the value of the entire article.

Following on the heels of this important emendation are the additions to the theory of distribution that have already been suggested. Chapter XX supplies a valuable link by showing that the presence of a fund of capital in a static society synchronizes production and consumption. Professor Böhm-Bawerk in his treatment of capital emphasized the round-about aspect of capitalistic production. The essential thing connected with an increase of capital to his mind was an extension of the average period of production. Professor Clark recognizes the time element involved in the use of capital goods, but makes more prominent the attribute of pure capital which puts the laborer at once into possession of the ripened fruits of his efforts. He suggests that capital may be thought of as a continuous stream of wealth of unvarying volume. Add to this stream at any point by the application of labor and capital and you force an equivalent share of consumers' goods out at its end. By means of capital as a perennial fund the time between production and consumption is thus annihilated. Unbroken continuity is substituted for the alternate periods of privation and satiation which the non-capitalistic savage experiences.

Space will not permit an extended notice of the chapters showing that there is no more reason for maintaining that land-rent does not enter into the cost of production than that interest or wages do not, and specifying "the pain suffered by society as a whole in the final period of daily labor" as the ultimate unit of value. They are followed by chapters entitled "Static Standards in a Dynamic Society" and "Proximate Static Standards," which conclude the work

and prepare the reader for a second volume dealing with the dynamics of distribution. Some of the thoughts suggested in these closing chapters are that the normal tendency is for capital to increase more rapidly than population and hence for interest to fall and wages to rise; that the rates of wages and interest actually prevailing in dynamic society differ less from the static standards to which they tend to conform than might be expected because contemporaneous dynamic changes tend to neutralize each other; and that trusts cannot suppress competition, whatever their object, but simply change its form.

Reviewing the work as a whole, two points seem deserving of special comment. In the author's opinion the economic service for which interest is paid is performed once and for all when a person deliberately abstains from spending income to invest it. At this moment there is, in his view, a distinct sacrifice. Its fruit is a permanent, self-perpetuating addition to society's fund of capital, and its reward is interest, the product of this new capital. In harmony with this view, he maintains that "there is no abstinence in a static state." Interest in such a state is a reward for pre-static sacrifice. The contrary opinion is usually described by saying that interest is a reward for postponing consumption, or "waiting." It looks upon the capitalist, not as one who has made a sacrifice in the past, but as one who is continually making a sacrifice. From this point of view, capital is not a permanent, self-perpetuating fund, but an aggregate of small savings, any one of which may at any time be converted into consumers' goods and destroyed by its possessor. The opposition of view may be described as the difference between looking down on the fund of capital and looking up at it, or between thinking of capital as society's and capital as belonging to the individuals who make up society.

For Professor Clark's study no objection can be made to his analysis. He presupposes a static state. One of the conditions of such a state is that capital shall be a permanent, self-perpetuating, fund. Just how it comes to be so is not a question with which he need concern himself. Will his analysis prove adequate, however, for dealing with the problems of economic dynamics? The perpetuation of capital which he treats as typical is that presented by a corporation with a conservatively managed sinking fund. But behind this corporation are the shifting ranks of bondholders and stockholders, the real capitalists of the community. To these individuals capital is far from self-perpetuating. When making an investment how many of them heave a sigh and regard that as the end of the matter? Must not the original decision to invest be reinforced by daily, monthly, yearly decisions to continue to postpone consumption or to wait for the sake of interest? Professor Clark implies

that because the interest comes in in a continuous stream of ripened products, "waiting" does not accurately describe the process, nor does it as well as the phrase "abstain from immediate consumption," but this abstinence is daily, continuous, and not performed once and for all when it is entered upon.

The other point has to do with the nature of land-rent. Professor Clark shows very clearly that in a static society there is no occasion for making any distinction between land and the other instruments of production. Many readers will doubtless infer from this that it is his opinion that the prominence until now given to the land question as distinct from the question of capitalistic production is unwarranted. Whether this is his view or not, he will, I am sure, be the first to concede that a study limited to economic statics furnishes too narrow a basis for such a conclusion. From the point of view of economic dynamics the fact that land is a gift of nature while other instruments of production are themselves products of human industry attaches to the former an interest which the latter are without. And this only testifies again to the value of the distinction between economic statics and economic dynamics to which the author consistently adheres. Both present theoretical problems, but only the latter, since it alone deals with the real world, concerns itself with practical questions.

In conclusion, it is not too much to say that the publication of Professor Clark's "Distribution" marks an epoch in the history of economic thought in the United States. Its inspiration, its illustrations, even its independence of the opinions of others, are American; but its originality, the brilliancy of its reasoning and its completeness deserve and will surely obtain for it a place in world literature.

HENRY R. SEAGER.

Droit Politique Contemporain: Par Vte. Combes de Lestrade. Pp. 732. Price, 12fr. Paris: Guillaumin et Cie., 1900.

A striking feature of this work is the confusion of thought which pervades it. The want of some central, governing principle is most pronounced. The results of this defect are almost disastrous, for law can be profitably studied only in connection with some fundamental conceptions, round which the great multitude of facts can be more or less systematically arranged. An enumeration of the main divisions of the work will be sufficient to enforce this truth upon the student of constitutional law. The book contains nine chapters, as follows: Nation—State, Social Composition, Constitutions and Governments, Sov-

ereign Power, Executive Power, Legislative Power, Forms of Government, Popular Suffrage, Constitutional Guarantees. Clearly then the author has given us here not a carefully analyzed presentation of the facts of constitutional law, but merely a series of essays without any necessary connection with each other.

Yet one fundamental idea pervades the essays, the idea namely, that political science must be based upon social science. M. de Lestrade belongs neither to the analytical nor to the historical school of jurisprudence, but to the new school (if it may be called such) which emphasizes the necessity of studying law (and everything else) from the point of view of certain ultimate social forces. The tendency of this thought is evidenced by the chapter on the social composition. There exists a social constitution which is tacit, flexible, unwritten, and in process of constant change. This constitution in turn rests upon certain inherent qualities in the human mind, and changes as these qualities change or manifest themselves in new ways. The political constitution, in the broad sense, is based upon the social constitution and should tend as nearly as may be to conform to it. The same idea underlies the chapter on "Constitutions and Governments." Anarchy cannot cease until some organization is established; this organization in its entirety is the constitution (p. 65). The narrower meanings of the term "constitution" are referred to, but they have little meaning for the author. "Government" is used interchangeably with "constitution." With government defined thus broadly, it is easy to see what becomes of the state; the state is merely an abstraction—the synthesis of collective interests as opposed to individual interests (p. 10). Just as the state fades away into a dim abstraction, so sovereignty is socialized into an unmeaning phrase. The sovereign is the arbiter between the social and the political constitution, and is the resultant of all the forces of society, material and immaterial; the sovereign is the nation (p. 224).

The merit of the work, therefore, consists in a constant emphasis of the fact that the political organization of any society is an out-growth of the underlying social forces of the society—its ethnic, economic, sociological development—and, in a healthy society, tends to change with these forces. This is not a new idea, though, perhaps, it needs emphasis. One defect of the work consists in the assumption that the above fact necessitates the abandonment of all existing conceptions and definitions of political science itself. That political science rests upon social science may be admitted; but that the terminology and classifications of political science must, therefore, be ignored, does not follow. Definitions must be more or less arbitrary; their value for any science depends upon their convenience for purposes of discus-

sion and classification. To abandon an existing scientific classification without substituting a better one, simply because it is thought more emphasis should be placed upon certain basal facts of the science, is certainly unwise. It is true that every society politically organized has a constitution in the sense that it is constituted, but of what scientific value is the term *constitution* used in this sense? Why broaden out the term *government* until it has no precise meaning at all? Or, what legal value has the term *sovereignty* when defined as the author defines it? To say that *sovereignty* is the nation is simply to say that the nation is the nation, or that *sovereignty* is *sovereignty*, which is true enough, but of little value in legal discussion.

Nevertheless, there is much that is suggestive in the book, such as the author's defence of absolute government, his discussion of the various forms of minority representation, and the rather too attractive analogy he finds between the presidential system of the United States and the absolutism of Russia. Much, however, is puerile and inconsistent, as for instance, the statement that parliamentary government is the absence of government; that England has never had *ce que nous appelons* the parliamentary régime; that England has no political constitution, when political constitution has already been defined to mean political organization (p. 565). *Ce que nous appelons!* Let it be repeated, the fault lies there. Why not call it what everyone understands it to mean?

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Städteverwaltung im Römischen Kaiserreiche. By W. LIEBENAM. Pp. xviii, 577. Price, 14m. Leipzig: Duncker und Humblot, 1900.

In a striking passage of the introduction to his "Provinces of the Roman Empire," Mommsen says: "If an angel of the Lord were to strike the balance whether the domain ruled by Severus Antoninus was governed with the greater intelligence and the greater humanity at that time or in the present day, whether civilization and national prosperity generally have since that time advanced or retrograded, it is very doubtful whether the decision would prove in favor of the present." And it is in the townships, Mommsen holds, "that the work of the imperial period is to be sought and to be found." Evidently then, this critical and generally thorough, though concise, work of Liebenam on "Municipal Administration under the Empire" deserves more than a passing note; for it supplies a test of Mommsen's claim, and also reveals the later deterioration of municipal life.

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Liebenam at the outset (preface) excludes from his field the city of Rome, as well as the towns of Egypt, the latter in view of the mass of papyrus documents daily coming to light. In his first book he treats Municipal Receipts and Expenses. Under Receipts he considers such subjects as town lands, fisheries, mines, quarries, water rents, and other revenue from public works and buildings, fines, municipal slaves, township funds, etc. This part contains valuable material on the subject of township tariffs—the prototypes of the octroi duties so distressing to American residents in Italy. Peculiar interest attaches to the author's discussion of the entrance-fees paid the town by officials upon induction into office. A table is added showing from inscriptions the entrance-fees paid in various municipalities: *e. g.*, an alderman (decurio) in Cirta paid 20,000 sesterces, an augur in Marseilles, 100,000. Some dozen pages are given to this significant custom.

Under Expenses, the cost of the post, of quartering soldiers, and of giving public amusements, is of great importance. Especially valuable is the information, here condensed, on the subject of public works. Polybius tells us that public works formed the heaviest item in the budget of the Roman state. This statement is also true of the municipalities. The largest part of their income went to construct and maintain town walls, streets, aqueducts, waterworks, sewers, public buildings of every sort—temples, courthouses, theatres, markets, etc. Here also is briefly indicated the varying history of fortifications,—now under the Roman peace, now in war-troubled times. As to the network of magnificent roads, covering the Empire, a new work is needed to replace that of Bergier, published in 1736. Such a study might be based upon the abundant documents now available. Liebenam considers only streets within the town. These were regularly paved, at a cost considerably higher than at present. He gives a list of towns having elaborate systems of drains and sewers: *e. g.*, Cologne had a network of underground sewers, and in this, as well as in its aqueduct supply of fresh spring water, the city had reached a point of sanitation not regained until the present century. But in their wonderful systems of waterworks the Romans seem to have surpassed even their other great engineering feats. Liebenam barely mentions the recent important investigations along this line in Africa. In general, it may be said, to sum up the first book, that municipal expenses were smaller than to-day because of the absence or relative insignificance of certain burdensome items of present-day budgets: *e. g.*, salaries of officials, teachers, physicians, support of police and fire departments. On the other hand, too much emphasis can hardly be laid on the absence of a most important source of revenue to-day—the direct tax.

In the second and longest book Liebenam treats of the Management of Municipal Property. In view of the purpose of the work and of the small space allotted to the third book, the author seems to give relatively too much space (thirty pages) to the discussion of the legal status of the municipality as the subject of property rights. He discusses the inscriptions: *lex Julia municipalis*, *lex Rubria de Gallia cisalpina*, *fragmentum Atestinum*, *fragmentum Tarentinum* (discovered 1894), *lex Salpensana*, *lex Malacitana*, and *lex Urbonensis*. Footnotes furnish a valuable bibliography. The texts, excepting the lately discovered *Tarentinum*, are accessible in Bruns' ("Fontes Juris Romani") sixth edition. Throughout his work Liebenam cites copiously these important documents.

Next in order comes the treatment of citizens and non-citizen inhabitants together with the various methods of acquiring citizenship. Mommsen's denial of the possibility of citizenship in two Roman communities at the same time is quoted approvingly. Students were regarded as not even *incolae* (non-citizen inhabitants) until after the lapse of ten years. In the Greek communities, on the contrary, multifold citizenship was possible (*Cf. Cic. pro Archia*, *Balbo*, etc.).

The municipal council varied in the number of members. The number for Roman communities was always fixed by law, and was usually one hundred. Names of members were enrolled on the album, which was not published, and was subjected to revision every five years. Then new members were added by the *duumviri quinquennales*. Eligible were, first, municipal ex-officials. If the number were still incomplete, properly qualified persons of the community might be added. The details of the qualifications are interesting, and may be found in *lex Julia munic.* vss. 108-125, *lex Malac.* vs. 54. Councillors were chosen for life,—that is, provided the quinquennial revision did not exclude them on the ground of misconduct. Among their duties was that of residing within a mile of the town. Non-compliance caused expulsion. Absenteeism was visited with a fine. The councillor had not only social honor, but specific immunities. The council sat in the town-hall, was called and presided over by the highest municipal officials. Details of the method of passing ordinances show a remarkable parallel to that of legislation at Rome. The matter for consideration was brought up by the presiding officer or a member of council. The ordinance was published and a copy preserved in the archives. We find in the documents, the year (named from consuls), day and place of meeting, number present, witnesses to accuracy of protocol, ordinance itself with terse statement of reasons and the vote—thus in all important points paralleling in form the *senatus consultum* of Rome.

As to the respective competence of local council and citizens, the empire, says Liebenam, took away from the citizens their leading position. So in the state it subverted that fundamental principle of the Roman constitution, that the legislative function resided in the people. Local regulations now devolved upon the council, as the legislative function at Rome under the early empire passed first to the senate. If we examine the documents implying popular co-operation, we find them dealing with matters of trifling import. The Spanish inscriptions prove that the change was gradual. In this, as in many other respects, eastern communities had an exceptional position, owing to Roman political tact.

The council had its own officials, subject to its control and liable to punishment in case of malfeasance. On the other hand, no valid ordinance could be passed except at a session duly called by the proper magistrates. As corporation, the council managed town property, attended to its finances, audited the accounts of its officials, rented its lands, etc., cared for religion and education, engaged teachers, physicians, sent out ambassadors, provided grain supplies, games and amusements, awarded honors, regulated building in the town, etc.

It is the third book—all too brief—that will most interest the general reader,—“Staat und Stadt.” Here is shown the influence of the central government on municipal development. In the previous books the author has not always differentiated historical periods, and the reader feels that he is consulting a lexicon—a valuable work of reference. But in the third portion of the work the historical feature is well developed. The author gives us an imposing catalogue of municipalities: “The empire was, at bottom, a union of municipalities.” Their splendid development under the Roman peace of the early empire is tersely and clearly expressed. Roman statesmanship did not yet hem in local self-government, still respected local customs. Yet Rome’s influence was immediately and increasingly felt. Weights, measures, coins must be standard. Roads had Roman milestones. To this period Mommsen’s words, quoted above, may apply. One important line of influence Liebenam seems to overlook: that of the Roman private law, necessarily studied by every provincial who aspired to political preferment. Other paths of influence, too, he is perhaps forced by space to treat cavalierly. But he sees clearly the goal in Rome’s world-historic mission of fusing the heterogeneous nationalities of the Mediterranean world into a homogeneous union, a Graeco-Roman “Kulturwelt.” Then he observes the growing disregard for local self-government, loss of respect for local customs and observances, the imposition of heavier burdens upon the

municipalities, the growing disinclination to accept municipal office with its grievous burdens. "If a man," says Gibbon, "were called to fix the period in the history of the world during which the condition of the human race was most happy and prosperous, he would without hesitation name that which elapsed from the death of Domitian to the accession of Commodus." "It is in this very period," says Liebenam, "that municipal decay begins." The book ends with an interesting discussion of the alleged grounds for Rome's decay.

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The Right to the Whole Produce of Labor. By DR. ANTON MENGER, Professor of Jurisprudence in the University of Vienna. Translated by M. E. Tanner, with an Introduction and Bibliography by H. S. Foxwell, M. A., Professor of Economics at University College, London. Pp. cxviii and 271. Price, \$2.00. London: Macmillan & Co., 1899.

The task which Professor Anton Menger has set himself in this and other essays is one, the importance of which cannot easily be overestimated. It is the application of jurisprudence to the study of economic and social questions. Professor Menger, as a jurist profoundly interested in the development of society, endeavors to add to the fullness of our knowledge by a critical examination of what many have regarded as the central demand of modern socialism, viz.: the right of labor to the entire industrial product, and he conducts his examination from the legal point of view.

It is proposed, he argues, to reconstruct modern society in such manner that the man who toils may receive all that is produced, making no abatement from the product for interest or rent. The demand of the socialist, which Professor Menger examines, is that individually unearned income shall cease to exist. This postulate, if we conceived it realized in society, signifies a society resting on an entirely new foundation of law and justice.

Professor Menger opens his book with these words: "The social aspirations of our time aim essentially at a reorganization of the economic life of mankind. They start, it is true, from a searching criticism of our existing economic conditions; but this criticism leads to certain juridical postulates which involve an organic reconstruction of our actual rights of property."

If socialism proposes an organic reconstruction of our actual rights of property, it is of the first importance that a trained jurist

should give it a critical examination from his point of view, and this is precisely what Professor Menger undertakes. Professor Menger, applying the critical methods of jurisprudence to the examination of socialist programs discovers a legal demand for "the whole produce of labor." But alongside of this demand he finds another legal demand, which makes the claim that all human needs should be satisfied in proportion to the available economic means of satisfaction. Let us suppose both claims examined in a court of law; and what is the result? Manifestly one or the other must be thrown out. "Any attempt to carry to a logical conclusion the idea of the laborer's right to the whole produce of his labor is immediately confronted with the numerous persons who are incapable of work (children, the aged and invalids, etc.), and who must depend for the satisfaction of their wants on unearned income."

The two principles lead to different results, and these two principles are generally found coexisting in socialistic systems, bringing into them contradictions and many inconsistencies. When wants are made the standard of division, the right to the whole produce of labor is pushed into the background; but it is possible to introduce wants to a limited extent, as in the claim for a recognized "right to subsistence." Such a claim in a very narrow way is recognized even now in our poor law. This "right to subsistence" is examined by our author, as is also the demand for the recognition of a "right to labor;" that is to say, the right not to seek employment, but the right to demand that an opportunity to labor be furnished. This, it is shown, is essentially a compromise of rights, being something between existing rights and socialism.

Professor Menger, in this little book, undertakes a critical examination of modern socialism in England, France and Germany, with reference to the attitude assumed towards these various rights, and strangely enough, as it will seem to most persons, he finds the greatest originality among the early English socialists, and imputes large borrowing if not downright plagiarism to the great German leaders, Rodbertus and Marx. To William Thompson he ascribes a remarkable position, in these words: "So much of the socialist philosophy as centres in the right to the whole produce of labor is completely expounded in the writings of William Thompson. From his works the later socialists, the Saint-Simonians, Proudhon, and above all, Marx and Rodbertus, have directly or indirectly drawn their opinions. And yet modern historical works take but little notice of a writer who is the most eminent founder of scientific socialism."

While most students will gladly recognize the historical service which Professor Menger has rendered in the attention which he has

called to the early English socialists and in his description of their work, there are comparatively few competent judges who will not feel that he has gone too far in disparagement of the Germans and too far also in the scientific merits which he ascribes to the English writers, whom he examines. The present reviewer would also say that in his opinion Professor Menger has elsewhere met with larger success in the study of social problems from the standpoint of jurisprudence; especially has our author succeeded better in his critical examination of the new German civil code from the standpoint of the poorer and propertyless classes.

Praise must in generous measure be accorded Professor Foxwell for his historical introduction and his full bibliography. We hope for further work along the lines of the present volume, both by Professor Menger and Professor Foxwell.

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Dictionary of Political Economy. Edited by R. H. INGLIS PALGRAVE, F. R. S. 3 vols. 1894-99, London and New York: The Macmillan Co. Vol. 1, A-E, 1894, pp. xvi, 800; vol. 2, F-M, 1896, pp. xvi, 848; vol. 3, N-Z, 1899, pp. xxii, 762: with index to all three volumes and list of contributors. Price, \$6.50 per volume.

Within the limits of the ordinary book review it is impossible to describe or criticise with any fullness the twelve years' labors of the editor of the new English "Dictionary of Political Economy." It is worth while, however, to attempt to point out the relation of the result to other works accessible to students in this field and to indicate some of its chief merits and limitations. It is primarily a dictionary and not an encyclopedia. Thus it defines a large number of words, terms, and technical phrases found in current economic literature, gives a host of very brief articles and notes illustrating the various attempts to apply economic theory to business life, trade, government and education, and makes a special feature of bibliographical references, in several languages, to serve as an index to the best literature now influencing the development of economic theory and practice in Europe and America. Six years have elapsed between the publication of the first and the third volumes, and yet, while bibliographies soon become antiquated, for many years to come these volumes will be a useful source of reference by reason of the excellent judgment displayed in the concise statement of all shades of current opinion with a summary of its historical development and a remarkably satisfactory sense of proportion in selecting that which is

truly representative. For these merits of the work we have to thank Mr. Palgrave, whose wide experience with men, impartial and keen judgment of tendencies and movements, and rare patience in personal supervision of each article, are visible from beginning to end and give these volumes a character and unity not found in any other similar work. Another fact that will guarantee more permanent value to this Dictionary is the fact that so many well-trained specialists have contributed to its pages.

Economic literature is being widely read to-day by laymen and by a host of students who do not want to specialize in this direction. To such the new Dictionary will prove a most valuable reference volume and, if judiciously and freely used, a boon companion to whet the appetite and promote accuracy and fullness of information. Biographical sketches of the chief writers abound and furnish some material for judging of a man's theoretical position and relative authority to speak on a given topic. If the average reader of current economic literature would make it a rule not to pass by a single phrase he did not understand without looking it up in the Dictionary and following out a few of the cross references which are admirably arranged throughout all three volumes, there would be considerably less confusion in terminology and fewer economic heresies finding expression in the ridiculous pamphlet literature of the day.

The professional economist will be the one most likely to criticise adversely and to feel a certain sense of disappointment in the Dictionary. This will be especially the case if he is accustomed to use Conrad's *Handwörterbuch der Staatswissenschaften* and other German encyclopedias. His criticism will be chiefly directed toward the brevity of treatment of many topics in the Dictionary and because of an unjust comparison with works with which the Dictionary does not attempt to compete. On the score of accuracy and breadth of view no fault can be found. There can be little doubt, however, that the specialist of the most pronounced type will find, when he understands more fully the scope and uses of the Dictionary, that it is no less serviceable to him as a time-saver in verifying and extending his general information in portions of the field of economic science more or less remote from his specialty. There is no other work in any language that will furnish a complete library of information on a large number of topics in the way that Conrad's *Handwörterbuch* does, and that too by the ablest specialists who can say the last word on controverted points, but for that very reason the *Handwörterbuch* is more limited in the number of topics treated and is silent at many places where the Dictionary furnishes valuable suggestions. The American Encyclopedia of Political Science, Political Economy, and

United States History is broader in its scope than either the Dictionary or the *Handwörterbuch* and not so satisfactory nor widely useful as either. The two French Dictionaries with which the professional economist will unconsciously make comparison have the disadvantage of being partisan works carefully edited to present the views of only one school of economic thought. Mr. Palgrave has happily overcome one great difficulty and has even given the Germans pointers in specialization by dividing up many of the important articles where controversial questions would naturally enter and assigning different parts to different writers. Where the different schools of thought differ, every attempt is made to present both sides impartially.

American and English scholarship, as well as many of the ablest continental writers, are well represented in the Dictionary. All the leading university professors of the social sciences in England and America, with the rather notable exception of Professor Alfred Marshall of Cambridge, appear in the list of contributors; and among those on the continent we notice Stephen Bauer, Gide, Greven, Loria, v. Leyden, Leser, Oncken, Pantaleoni, Rabbeno, Van den Berg, and others. Among the American contributors will be found Professors Andrews of Bryn Mawr; Ashley, Taussig and Dunbar of Harvard; Hadley of Yale; Morse Stephens and Jenks of Cornell; Giddings, Mayo-Smith and Seligman of Columbia; General F. A. Walker and Professor Dewey of the Massachusetts Institute of Technology; Rowe of the University of Pennsylvania; Ely of the University of Wisconsin, and others. Many names of men prominent in public and official life in this country and abroad appear also in this list; and we are glad to note so many contributions from the pen of the editor himself, some of them on topics on which he has won a world-wide reputation as a specialist.

The longest articles in the Dictionary do not often exceed five to six thousand words, a few run over ten thousand and the one on Adam Smith, which seems to be the longest, is probably over twenty thousand. Perhaps an enumeration of the titles of some of the articles to which most space has been given will serve to show where the emphasis has been laid and thus indicate somewhat more of the scope of the work. In Volume 1, we note that the longer articles are those on Administration, Agriculture, Balance of Trade, Banking, Bimetallism, Census, City, Commerce, Competition, Co-operation, Distribution, Dock, English Economic History; in Volume 2, the articles on Finances, Forests, Free Trade, Geography, Guilds, Historical Method, Insurance, International Law, Labor, Malthus, Method of Political Economy, John Stuart Mill, Money and Municipal Government; in Volume 3, the articles on Physiocrats, Police, Political Economy, Prices,

Rent, Adam Smith, Taxation, Value, and Wages. There are excellent articles on the German, French, Italian, Austrian, Russian, and other national groups of economic writers.

The work as a whole has been not narrowly, but rather strictly confined to economics and its application within the field of existing governmental activity. In as much as the Dictionary aims adequately to represent current economic thought, rather more space might have been given to the relation of economics to social philosophy and to current social movements since so many economists have turned their attention of late to the more distinctively sociological problems of modern life. The closely related fields of both theoretical and practical politics are but slightly touched upon, and there is still less reference to anything within the range of Anthropology and Ethnology, all of which cognate subjects figure increasingly in the economic writings of our time. However, such omissions are doubtless due to the desire to keep the Dictionary within a comparatively small compass, to do its chief work more thoroughly, and to bring it within the means of a larger circle of readers so far as its cost is concerned.

Both editor and publishers are to be congratulated upon the successful completion of an undertaking, involving so many difficulties and risks, in a manner that reflects credit upon English scholarship. We are perhaps hardly ready yet for either the successful editing or marketing of an English Encyclopedia of the Social Sciences on a scale comparable in scientific value to that of the Germans and, until we are, we can at least expect our Dictionary to prove itself a real help to student and general reader alike in promoting more thorough economic study and investigation.

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NOTES ON MUNICIPAL GOVERNMENT.

AMERICAN CITIES.

New York State.—*Civil Service.* The working of the so-called Black Civil Service Act, which was intended to take the starch out of the civil service, has been so unsatisfactory that a number of bills have recently been introduced into the state legislature with a view to removing the manifest defects. A circular issued by the City Club of New York gives a very clear exposition of the present situation.

At the present time "three distinct systems of appointment exist as a result of the confused legislation of the past two years. In the departments and institutions of the state the Black Act is in force, as far as it has ever been possible to enforce it; in New York City, under the special authority alleged to be found in the charter, a system quite different from anything previously existing has been built up; while in Buffalo, Rochester, and, in fact, every other city of the state, the original act of 1883 is in force, having been revived by an act passed in March of last year.

"In New York City during 1898, under rules that differ widely from those in force elsewhere, and that have not been approved by the state board, the law has practically broken down. Seven hundred appointments were made without examination to 'confidential' or 'excepted' positions. Sixteen hundred were made under 'temporary' certificates, the majority of which are still continued. Five thousand were appointed as 'laborers,' many of whom were promptly 'assigned' to duties which should be performed only by persons who have passed competitive examination; and, exclusive of temporary medical inspectors in the health department, not more than five hundred were appointed after competitive examination. The result of this wholesale violation of the constitutional requirement of competitive examinations has been a great increase in the number and in the salaries of employes, and a material difference in the tax rate for the coming year. If these conditions are not corrected, the law, in so far as it applies to New York City, might as well be repealed.

"The bill which has been introduced and is being actively pushed, provides that all examinations shall, as far as practicable, be open and competitive, and that the tests employed be of a thoroughly practical character. For laborers the examinations would relate only to mechanical skill or physical capacity. Each appointment would be made,

as at present in the state service, from the eligible list most appropriate for the position to be filled; and the device of creating positions with titles unknown to the classification under the civil service law, now resorted to by appointing officers desiring to exercise arbitrary power of appointment, would become unavailable. Under the present law a temporary appointment may be made, for not more than thirty days, to a position for which an eligible list of applicants is not in existence; but hundreds of such appointments have been continued in New York City under the present administration for more than a year, with the prospect of further continuance. In the case of positions excepted wholly from examination, the provisions of the bill would permit only appointments under each title, unless otherwise provided by the rules.

"The section relating to cities would not interfere in any way with the principle of home rule. The local officers would have entire freedom of action, provided they did not violate the terms either of the constitution or the general act. In order to insure uniformity, the rules of each city would be submitted to the state commission, but for approval only. The mayor would appoint city commissioners. If he fails to do so within sixty days, the state commission may make the necessary appointments; and if the city rules are not drafted within sixty days more, the state commission may draft such rules. The state commission would have power to amend or suspend rules made by a city commission, if, after explanation by the city commission, it appeared plainly that the rules did not carry out the purposes of the law; and to remove local commissions for proved inefficiency or misconduct, but only by unanimous vote, after a full hearing on written charges and with the approval of the governor.

"The extension of the complete merit system to the counties of New York, Kings and Erie, as provided by the bill, clearly comes within the requirement of the constitution that the system shall be applied 'so far as practicable' to all public offices. The system is especially applicable to the large offices of these counties, in which hundreds of persons are employed. It is notoriously the fact, moreover, that the conditions in the county offices of New York require radical correction; and the application of the civil service rules to these offices cannot fail to have a good effect."

Chicago.—*Civil Service.* The Fifth Annual Report of the Civil Service Commission¹ records 5,270 official and 4,630 labor applications filed during the year. There have been 3,201 applications for positions in the official civil service since the Civil Service Law

¹ Timothy J. Cochran, Commissioner and Chief Examiner, 914 State street, Chicago.

became operative in August, 1895, and 2,508 for the labor service, making a grand total of 5,709 to December 31, 1899. The power of the commissioners under the present law is broader than that enjoyed by most municipal commissions. They are vested with power to make rules having the force of law and which have in every instance been upheld by the courts. The supreme court of the state has held that a certification cannot be set aside and that a decision of the Civil Service Commission, so long as the forms of law are observed, cannot be reviewed by any writ of certiorari. Discharged employes are entitled to a hearing before the commission. Vested with these powers the commission exercises complete control over the administrative service of the city and through its supervision of the pay rolls is enabled to keep close control over the changes in the administrative service of every department.

Pittsburg.¹—*Official Responsibility.* The discovery of a system of fraud upon the city, by means of falsified pay-rolls in the bureau of highway and sewers, has had unexpected developments, directing public attention to the extent and nature of the responsibilities of heads of municipal departments. The director of the department of public works, who brought the matter to public knowledge, took the ground that prosecution and recovery were the business of the city controller and city attorney. A municipal ordinance gives the controller "supervision and control of the fiscal concerns of all officers of the city," and an act of assembly requires him to "report in writing to the city attorney any default or delinquency of any receiving or disbursing officer." These provisions were construed by the director and his adherents as removing from him the duty of following up the frauds. But the city charter provides that the heads of departments "shall appoint and be responsible for all the officers and employes of their several departments," and city councils held that the director was individually responsible for the acts of his subordinate, who was appointed by him and was bonded to him.

The dispute between councils and the director as to the site of the responsibility became acrimonious, and councils decided to remove the director from office. There was great public excitement, and it was vehemently denied that councils had the power of summary removal. The director was advised by his counsel that he could not be removed except upon impeachment proceedings, and he announced his intention of holding on to the office, in spite of adverse action by councils. An act of assembly of April 6, 1867, provides that "any officer or agent appointed by or under the authority of the city councils may be removed from office by a concurrent vote of a majority of

¹ Communication of Henry Jones Ford, Pittsburg, Pa.

all the members of each council." On June 11, by a vote of 63 to 21, councils removed Mr. Edward M. Bigelow from the office of director of the department of public works, and immediately elected his successor. The rooms occupied by Mr. Bigelow in the city hall were seized the same night, and steps were taken to resist any attempt by him to recover possession. The next morning, however, Mr. Bigelow announced that he would make no contest.

While this controversy was going on no steps were taken against the speculating bureau chief, and he disposed of his property and left the city. After the change in the directorship took place a warrant was issued for his arrest, but before it could be served he died from chronic ailments. On July 31, the city attorney entered suits against Mr. Bigelow and his bondsmen for sums amounting to \$49,353.26, on account of the speculations.

The affair has had the effect of causing a thorough discussion of official responsibility, forcing matters upon public notice, to which no attention had been given before. The charter has been subjected to a test which has shown its efficacy as an instrument of control, and at the same time the discretionary authority of councils has been exhibited in a way instructive to public opinion.

Massachusetts.—*Gas and Electric Lighting Commission.* The Fifteenth Annual Report of the Board of Gas and Electric Lighting Commissioners gives abundant indication of the thorough control which this board has gradually acquired over the gas and electric light undertakings, both private and municipal. One of the most important powers exercised by the board relates to the extension of the supply in cases where consumers demand such extension from private corporations. The statute provides that upon application of prospective consumers the board may issue an order requiring the company to supply gas or electric light upon such terms and conditions as are legal and reasonable. The board is, therefore, able to exercise continued pressure upon the companies to extend and develop their systems and not to confine themselves to the utilization of the most remunerative portions of the city. The board has continued to exercise careful control over the capitalization of the gas and electric light companies throughout the commonwealth.

On the question of municipal ownership the report shows a marked tendency towards the gradual extension of municipal functions in acquiring gas and electric light works. On June 30, 1899, seventeen towns owned and operated either the gas or electric lighting system, or both. The tendency seems to be for the towns to take up electric lighting rather than the gas supply, for of the seventeen towns in

question fifteen operated the electric light plants, and but two gas and electricity. During the year 1899 the towns which have taken action favorable to municipal ownership and operation are Westfield, Belmont, Beverly, Concord, Hudson, Hull, North Attleborough, Revere and Taunton.

Metropolitan Water Works. The Fifth Annual Report of the Metropolitan Water Board gives an interesting account of the extension of the field operations of the board. Under the original act the metropolitan district was made to comprise the cities of Boston, Chelsea, Everett, Malden, Medford, Melrose, Newton, Somerville and the towns of Belmont, Hyde Park, Revere, Watertown and Winthrop. The act permitted the admission of other cities and towns within a radius of ten miles of Boston, on conditions prescribed, and soon after its passage the city of Quincy and the town of Nahant were admitted. Arrangements were also made for supplying water to the town of Swampscott, which is situated beyond the ten-mile limit. The town of Arlington made application for admission into the district in November, 1898, and was admitted early in 1899. Under the arrangement the town paid the sum of fifteen thousand dollars in cash, and in addition transferred to the board property of an estimated value of fifteen thousand dollars. Although the board has been in correspondence with a number of other towns, no further admissions into the district have been made. The board is gradually acquiring control over all important water-sheds available for the supply of the district, and has already expended nearly twenty-one million dollars in improvements. With the gradual extension of its sphere of influence, it seems possible that the whole eastern district of Massachusetts will become one great municipal corporation, so far as the water supply is concerned.

Civil Service. The Sixteenth Annual Report of the Civil Service Commission of Massachusetts for the year 1899 reviews the activity of the commission during that period. The most interesting phase of the work has been the further development of the classified labor service. In Chapter 328 of the Acts of 1897 it was provided that applicants for the labor service in municipalities should be allowed to register to the number of five hundred on the first Mondays of February, May, August and November in each year. On the first of January, 1899, the commission ordered that the registration of laborers in Boston should be made upon the morning of every week day except Saturday. In Boston alone 4,643 men were registered during the year. There were 296 requisitions for labor service received, and 1,022 persons were certified. In Cambridge the number registered was 737, and 35 requisitions were received, upon which 596 names were

certified. For the other cities for the classified labor service the relation of registry to certification was as follows:

	Number Registered.	Number Certified.
New Bedford	236	199
Newton	80	40
Everett	187	167
Worcester	1,318	1,144

Boston.—*Rapid Transit.* The report of the Boston Transit Commission for the year 1899 records the following at the close of the first year of operation of the new subway: The cost to date has been \$4,152,224.17, which is over \$800,000 less than the original estimate. It furnishes, therefore, one of the few instances in which a public work has been constructed for less than the original estimated cost. The Boston Elevated Railway Company, which enjoys a virtual monopoly of the street railway service, pays an annual rental of 4.78 per cent on the cost of the work. In 1899 this rental amounted to \$199,205.01. During the year the subway has undertaken some alterations in order to make it adaptable to the use of the elevated company, which is now constructing its system.

Municipal Concerts. The report of the municipal music commission gives an interesting account of the attempt of the municipality to furnish the best grade of musical entertainment. The appropriation of \$10,000 in the year 1899 was insufficient to meet the demands of the population, as the commissioners state that the work which has been undertaken "has proved of the very highest attractiveness and benefit to those classes of music-loving people of the city whose means do not enable them to pay for attendance at performances of as good a class of music as the department has furnished since its organization." The work which Boston has undertaken, while still on a comparatively small scale, is of such importance as an indication of the extension of municipal activity that the results of the experiment will be watched with great interest by other municipalities throughout the country.

Indianapolis.—The Fifth Annual Message of the present mayor of Indianapolis indicates the activity of our smaller cities, in coping with the various municipal problems consequent upon the development of industries and upon the congestion of population. The time has come when the city is in urgent need of a sinking fund, a permanent pest house, a sheltered market, and a plumbing inspector. The time has also come when the Indianapolis Gas Company can afford, and has been made to contract to furnish "artificial gas at one dollar per 1,000 cubic feet, with a proportional reduction for increased

consumption." The time has not come, however, when the loss of life at railroad crossings is so great, that, in abolishing the grade crossings, the city can afford to antagonize "the railroad and the manufacturing interests, upon which the city, situated inland as it is, depends and must always depend for its prosperity and advancement." Therefore the mayor's veto of the "ordinance of 1899, requiring the elevation of all railroad tracks within a certain radius."

Notwithstanding the mayor's recommendation for the erection of a pest house, sheltered market, etc., and for the continuance of liberal appropriations to parks, he congratulates the city upon "the reduction of the tax levy for the year 1900 from seventy cents to fifty-nine cents on the \$100." Doubtless recalling that such cities in Massachusetts regard \$10-\$16 on the \$1,000 as low, he says that "it will be impossible to keep the levy at the present low rate, unless some measures are taken to obtain revenues by taxing private corporations for use of streets and alleys, as prescribed in the city charter." (Indianapolis received last year from two telephone companies, one light and power company and one street railway company, \$42,000, enough to pay the city gas bill. While from various licenses, the receipts were \$194,000, or the equivalent of the expense of water, and gas, and electric lighting.)

The message contains a disquisition upon the influence of the tax-rate upon the growth of a city. It will be seen that the mayor does not discourage the doubling of the rate, providing this increase be in the nature of an investment. "Indianapolis presents many attractions, both as a place of residence as well as a manufacturing and business centre, and it should be the constant aim and endeavor to build up the city in those respects which are for the comfort and welfare of her citizens. Among these things may be mentioned a low rate of taxation, and I am glad to state such a rate has been maintained in Indianapolis, the lowest of any city of its class in the United States. It should constantly be the aim to keep the tax-rate at the lowest possible limit, but not at the expense of clean streets, an adequate fire and police protection, sufficient public lighting, safe and durable bridges, a suitable city hospital, and other public necessities."

Iowa.—*State Board of Control.* In 1898 the legislature of Iowa passed an act creating a State Board of Control over educational, charitable, reformatory and penal institutions, which represents the widest extension of state control which has yet been made. The act provides for a commission of three,¹ to be appointed by the governor, with and by the advice and consent of the state senate. The

¹ William Larrabee, L. G. Kinnie, John Cownie, members of the Board of Control of State Institutions, Des Moines, Iowa.

term of office is six years and the compensation \$3,000 per year. The commission is vested with full power to control the soldiers' home, the state's hospitals for the insane, college for the blind, school for the deaf, institution for the feeble-minded, soldiers' orphan home, industrial home for the blind, two industrial schools and the state penitentiaries. The board is also charged with the duty of investigating the reports and doings of the regents of the state university, the trustees of the state normal school and the state college of agriculture and mechanic arts, for the purpose of ascertaining whether the persons holding these positions have faithfully accounted for all moneys of the state which have been drawn from the state treasury in accordance with the law and have been so expended. As regards the charitable, reformatory and penal institutions, the powers are of the most inclusive character, as the board is expected to visit and inspect at least once in six months each of the institutions named and investigate their financial condition and management. They are to prescribe the forms of records and the kinds of accounts to be made and kept by the institutions specified; they are to make suggestions to the legislature respecting legislation for the benefit of these institutions; they may employ an architect to prepare plans, specifications, estimates and details for the building and betterment of these institutions. In addition they have power to investigate the question of the sanity and condition of any person committed in a state hospital and to discharge such person; to compel the superintendent, warden or other chief executive officer of each of the institutions under the control of the board to provide adequate and ready means of protection against fire. To fix annually, with the written approval of the governor, the annual or monthly salaries of all the officers and employes in the several institutions, except such as are fixed by the general assembly.

The board is to make the rules and regulations respecting the manner in which supplies shall be purchased and contracts made for the institutions under its control. The first biennial report of this commission has just appeared and contains an exhaustive examination of the financial conditions, the system of administration and the work done in every institution under its care. The most important service performed by the board has been to enforce a high standard of efficiency in all these institutions and to safeguard the disbursement of funds. The extension of the work of the board in controlling the construction and equipment of institutions is likely to make of it the most important organ in the administrative system of the state.

San Francisco.—*New Charter.* After three unsuccessful attempts the city of San Francisco has finally accepted the charter which was

framed under the constitutional amendment of 1890. This amendment gives to cities the power to call a charter convention, composed of freeholders, for the purpose of framing a charter, which charter goes into effect after being submitted to the legislature. For one reason or another the charters thus framed have in three successive instances been rejected by the people of San Francisco at popular elections. Finally, in 1899, a fourth charter, framed in this way, was accepted. In the new charter, the legislative power is vested in a board of supervisors, to which the formulation of municipal policy is confided. One of the important duties of this board is to fix the rate for gas, water and electric lighting which may be charged by private companies. While the board is limited by the legal principle laid down by the courts, that the companies are entitled to a fair return upon the reasonable value of their property at the time it is being used for the public, there is, nevertheless, considerable discretion left with the board. During the year 1899 the board made a reduction in the price of gas from \$1.75 to \$1.50 for private consumption and from \$1.50 to \$1.35 for public lighting.

Election Under the New Charter. The recent election under the new charter of San Francisco is of special interest as an indication of the probable effect of municipal home rule upon local political life. As we have already had occasion to point out in previous numbers of the *ANNALS*, the California constitution permits its cities to frame their own charters by means of a local charter convention. In 1899 a charter thus framed in San Francisco was accepted by the people at a special election. The first municipal election under the new charter called forth a special municipal party platform from both the democratic and republican parties. As such platforms are by no means common in this country, it is of interest to examine their condition. The most important provisions of the democratic platform advocate the public ownership of the water system and a reduction in price of gas and electric light. The republican municipal platform is very specific and pronounced in its advocacy of municipal ownership of public utilities. Both platforms are marked by the usual vagueness of such instruments, which enables a ready evasion of the principles to which the parties have committed themselves.

FOREIGN CITIES.

Municipal Socialism in England.—The American social reformer has apparently conceded that the foundations for reform must be first laid in the city, before state and national politics can be improved. Scarcely a city of note is without its municipal program, whether this be advocated by some labor leader, aggressive mayor or citizen's

league. Almost without exception these programs are defended by appeals to English successes in the establishment and conduct of various municipal enterprises. Opponents on grounds of principle are challenged to apply their theories and justify their prophecies in the specific cases of the abattoirs of Birkenhead, the tramways of Liverpool, the garbage, electric light, public bath plant of Shoreditch, the model lodging-houses of Manchester, the wash-houses and nurseries of Leeds, the potato fields of Brighton, or the artisans' dwellings of nearly every urban and rural district.

Singularly enough, the opposition to municipal enterprises has centred in the principle of government involved. It for a time seemed sufficient to sneer at these projects as socialistic. Later it became necessary to suggest that it was unsafe to follow English precedent or to adopt English theories, because our people and our conditions were radically different. But there still remained the uncontested successes of municipal enterprises in England, and the demand grew for public ownership of public utilities and natural monopolies, as well as for various sanitary improvements. There seems at the present time a regular campaign in progress against individual control not only of water, of gas and electric lighting, but likewise of street railways and even of telephones, while Boston leads the way in constructing free public baths. It would seem that now, in order to arrest this movement in American cities, it will be necessary to question the formerly impregnable argument that municipal trading in England is a success.

At the present time, a joint committee of both Houses of Parliament is inquiring into the effect of municipal trading, the Earl of Crewe being chairman of the committee. Evidence is being taken, not only from the high officials of the various municipal corporations, but also from representatives of the various trades, capitalists and other specialists in different departments of enterprise and administration. Thus, practically for the first time, the success of English municipal trading has been officially and seriously challenged. In later numbers of the *ANNALS*, we will give portions of the most important evidence taken, as well as the essence of the committee's report. At the present time we wish to call attention to the popular discussions through which the opposition of the conservative element to municipal socialism finds expression. To that end we cite Lord Avebury's article in the July *Contemporary Review*, entitled "Municipal Trading." The article contains six objections to municipal trading and proposes three conditions to its extension. The objections follow:

I. *Such a policy will involve an enormous increase of debt.*—One is surprised to learn that the amounts proposed to be raised by

municipalities during the past six years have grown from \$8,200,000 to \$195,000,000; that the indebtedness of local bodies in 1900 is \$1,250,000,000. It seems that the taking over of the water, gas, tramways and dwellings for the poor would add respectively, 500, 250, 150 and 250 millions, or over a billion dollars. These figures give some evidence of the wealth of English local bodies; they may not be conclusive evidence of the danger of municipal indebtedness.

II. *Municipal trading checks private enterprise.*—"Who will risk his money in competition with town councils, which have the bottomless purse of the taxpayers to draw on and have not to face any risk themselves?" "Speculative investments ought not to fall within the limits of municipal duties, or to be made with ratepayers' money." In London, it seems that one-fourth of the electors pay no rates; the writer evidently not granting that the poorer tenant indirectly pays rates. The statement is made that the Progressive party makes greatest gains in those districts where these non-rate-paying electors are in greatest proportion. Perhaps the fairest charge under this heading is that "local authorities from the first to the present have obstructed the introduction because they were interested in gas."

III. *The demand on the time of municipal councillors will preclude the devotion of sufficient consideration to real municipal duties, and will prevent business and professional men from undertaking municipal work.*—"On the London County Council, any councillor who takes his average share of committee work must even now devote at least three days to the work of the council. But if the water supply, electric lighting, management of tramways, the supply of omnibuses, etc., are to be undertaken by the council, the members must be prepared to devote the whole of their time to the business of the council, and even that will not be sufficient." The writer does not say that present burdens have caused any deterioration in the character of councillors.

IV. *It is undesirable to involve governments and municipalities more than can be helped in labor questions.*—"Already the staff of the London County Council forms a little army, and exercises a distinct influence in some municipal elections. Still, at present, the council employs the staff, but if the present tendency continues, the time will not be far distant when the staff will employ the council. . . . There is, moreover, some risk of jobbery and corruption, and we have in New York an example by which we should do well to take warning while we may."

The reader must be struck here with the mildness of the charges, conceding by implication that there is little concrete evidence of imminent danger of the kind cited.

V. *The interference with natural laws, in some important cases, has the effect of defeating the very object aimed at.*—"Take for instance the housing of the poor. It is generally agreed that in many, perhaps most of our cities, there are slum districts with houses unfit for human habitation. The municipalities have power under the existing law to compel the owners of such property to put it into a proper condition, and this power might be exercised; or secondly, they might buy the property and build workmen's dwellings themselves. The second is that adopted by various municipal authorities."

Octavia Hill is quoted as opposing this plan for three reasons: (1) The work will be done expensively. (2) The councils, which ought to be the supervising authorities, will themselves be pecuniarily interested in the houses to be supervised. (3) The electorate will be in large measure composed of tenants of the body to be elected. Of these objections, the serious one is the second. Health officers are experiencing throughout the kingdom that the economies demanded by rate-payers are incompatible with the sanitary building demanded by the building inspector. Municipalities are erecting tenements which are already a nuisance in the eyes of the present generation of sanitarians; for instance, Leeds is building back-to-back houses, in the face of protests from the chairman of the sanitary committee. Thus do municipalities not only give their sanction to unsanitary building, but they add to the opposition which sanitary reform of the next generation must overcome.

Lord Avebury suggests a correction of the expression "Housing of the Poor." He maintains that in actual practice the poor are dishoused in greater proportion than they are housed. This is a grave charge, and it is to be regretted that general statistics were not adduced to support it. It deserves mention, however, that a considerable proportion of the sanitary officials and reformers of the kingdom feel that the standard of habitation can best be raised by exacting building rules and careful inspection. They call attention to the fact that Professor Geddes, in regenerating Castle Hill, in Edinburgh, purged one slum only to create another, while Shoreditch has dishoused the needy to enable the less needy to lower the amount of rent paid for desirable houses. It quite shocked the rate-payers when it was discovered that one of the largest tenements was occupied almost exclusively by ministers of the gospel, who, presumably, do not belong to the needy classes.

VI. *"There is a risk, not to say certainty of loss."*—It must be said that the article does not bring figures from a sufficiently wide field to demonstrate this proposition. It is interesting to know, however, that in 1899, of the boroughs supplying their own water, there was a

profit of \$700,000 in twenty-eight, and a loss of \$1,300,000 in nineteen. The essential question is, of course, are boroughs trying to make profits from their water works?

Manchester might have been cited. There it was found necessary to erect cottages as a concession to the prejudice against tenements. One area devoted to cottages holds eighty-two families; another of equal size occupied by tenements, is inhabited by 800 people. In this case, either the cottages must be rented at a loss, or else lack the sanitary conveniences, which are possible in the large tenements.

Lord Avebury distrusts and attacks municipal trading as the "essence of socialism," and would check its growth by the following provisions:

1. No extension of municipal trading for purposes not yet sanctioned, except after full notice and special parliamentary inquiry.

2. As regards water, lighting, tramways, and telephones, fresh undertakings by municipalities should only be sanctioned if it can be shown that there are special reasons why they should be carried on by the municipality rather than by private enterprise.

3. Any rate-payer objecting should have a right to be heard and give reasons against the bill.

The drastic character and practicability of the remedy proposed are good subjects for our consideration.

SOCIOLOGICAL NOTES.

Social Economy (Group 16) at the Paris Exposition. It is interesting to note the appointment of Professor Edward D. Jones, of the University of Wisconsin, and a member of the American Academy of Political and Social Science, as a juror in the Social Economy Group at the Paris Exposition. Professor Jones has been in Paris since the middle of last February engaged in installing the exhibits in Social Economy, the chief features of which are : (1) An exhibit of model tenement house plans, photographs of present conditions, etc., by Mr. Veiller, chairman of the Housing Committee of the New York Charity Organization Society ; (2) an exhibit of the Social and Industrial Conditions of the American Negro, under the supervision of Mr. Cal loway, of Washington ; (3) an extensive and systematic exhibit of photographs, administration blanks and other literature of charitable institutions and societies, under the charge of Mr. Homer Folks and Mr. H. S. Brown, of New York City ; (4) a large collection of photographs and lantern slides, illustrating the movements inaugurated by employers for improving the condition of their employees, provided by the League for Social Service ; (5) a library of the publications of state labor bureaus, loaned by Hon. Carroll D. Wright ; (6) a set of 100 large maps of the United States, showing the location of industries and industrial establishments in the United States ; (7) a collection of photographs, lantern slides, charts and publications showing the equipment of various industries in the United States, and the conditions of wage earners while at work.

Exhibits numbers 6 and 7, as indicated above, were prepared by Professor Edward D. Jones. In addition to these exhibits a series of monographs, carefully prepared by various authors, gives a review and description of the general economic conditions in the United States, and describes the more important social and economic movements of our country. An edition of 2,000 copies of these monographs printed in English will be distributed.

In the attempt to represent the social-economic condition of our country the following means have been relied upon:

1. Photographs.—A very large number will be shown, thanks to the wing frame employed, which permits the showing of thirty-three cards in the wall space which one picture would occupy.
2. Charts.—Putting into graphic form selected statistics.
3. Lantern Slides.—Our space will have a stereopticon in operation during the day and evening, throwing a brilliant picture of small size upon a ground glass screen.

4. Maps of the United States, showing the physical conditions which influence industry, and showing in detail the location of industries. These will be mounted in two cases of new design, each holding forty maps.

5. Literature for Examination.—Books, reports, trade papers, etc.

6. Literature for Distribution.—The monographs written by experts and published at the expense of the government.

The latest revised list of International Congresses, dealing with some phase of the social sciences and held in the rooms on the second floor of the Social Economy building, is as follows:

June 25-30. Congrès des Accidents du travail et des Assurances sociales.

June 25-30. des Actuaires.

July 30-Aug. 5. d'Assistance publique et de bienfaisance privée.

Aug. 5. des Aveugles (pour l'amélioration du sort).

July 23-28. de la propriété industrielle.

July 3. de la protection légale des travailleurs.

Oct. 9-12. du repos du dimanche.

July 15-17. des Sociétés co-opérative de consommation.

— des Sociétés de la Croix Rouge.

Aug. 6-11. de sociologie coloniale.

Aug. 6-8. des Sourds-Muets.

July 8. des Syndicats agricoles.

Aug. 20-25. du Tabac (contre l'abus).

Sept. 10-12. des Traditions populaires.

Sept. 10-13. des Tramways.

June 4-7. des Valeurs mobilières.

July 8-11. des Voyageurs et représentants de commerce.

July 18-22. de l'Alliance co-opérative internationale.

July 11-13. des Associations ouvrières de production.

July 23-28. du Commerce et de l'Industrie.

July 8-10. du Crédit populaire.

July 31-Aug. 4. de Droit comparé.

July 19-21. des Ecoles supérieures de commerce (des Associations des anciens élèves).

Sept. 6-9. de l'Education sociale.

July 30-Aug. 3. de l'Enseignement des Sciences sociales.

Aug. 6-11. de l'Enseignement technique, commercial et industriel.

Aug. 25-Sept. 1. Ethnographiques (des sciences).

Sept. 5-8. des Femmes (de la condition et des droits).

Aug. 27-31. de Géographie économique et commerciale.

June 18-21. des Habitations à bon marché.

July 23. d'Histoire comparée.

Aug. 10-17. d'Hygiène.
 Aug. 4-12. de la Marine marchande.
 June 7-10. de la Mutualité.
 June 18-23. des Oeuvres et institutions féminines.
 Sept. 29-Oct. 6. de la Paix.
 July 15-18. de la Participation aux bénéfices
 July 9-12. du Patronage des libérés.
 July 11-13. du Patronage de la jeunesse ouvrière.

Criminal Statistics in Denmark, 1891-96.¹—According to a governmental publication regarding the administration of criminal justice in Denmark (1891-96), (*Nationalökonomisk Tidsskrift, Iste Hefte 1900*), it is stated that the number of cases prosecuted was 3,881 (3,018 men and 863 women). Persons fined in police court were 44,700 in number (20,700 in Copenhagen), against 25,700 ten years earlier, and 12,200 twenty years before. The annual average of condemned criminals over ten years of age was, during the period 1891-96, 6,374 men and 124.9 women per 100,000 population; 785.3 men and 372.2 women per 100,000 in Copenhagen.

Most of the crimes were connected with property; for murder and assault 283 men and 9 women were condemned; for infanticide, 4 men and 27 women. A table, arranging criminals under age categories, shows a heavy preponderance of crime between the ages of 15 and 30. The greatest number of criminals, taking all Denmark, fall between the ages of 20 to 25 in both sexes; the next most criminal period is between 15 and 20. Taking Copenhagen, however, the period 15-20 shows the most criminals, after which the decline is steady; it is noteworthy that female criminals in Copenhagen are 20 per 100,000 population during the ages of 10-15, whereas between the ages of 15-20 this figure rises to 1064.3 per 100,000. In the whole country this rise is from 19.8 to 263.4 under like ages. The inference is clear.

Modes of punishment are illustrated by the following table:

Execution	0.03 per cent.
House of Correction	15.39 "
Imprisonment	69.53 "
Forced labor	2.97 "
Corporal punishment	8.93 "
Various punishments	3.15 "

Execution was resorted to in 8 cases (3 men and 5 women) during 1891-96. The three cases of the men were flagrant. The 5 women were executed for infanticide. Three of them murdered children born out of wedlock, and two were servants who killed the children of their masters.

¹Contributed by A. G. Keller, Ph. D., of Yale University.

The Protection of Danish Laborers.¹—In 1873 Denmark stood second only to England in liberal enactments for the protection of labor, while now she is the most backward of the European industrial states and possesses the most antiquated regulations. Few and unimportant laws have been passed since 1873.²

(1) "With reference to the industrial activities covered by protective measures at the present time, we come decidedly last in the list of European countries. (2) With reference to the minimum age for child labor in industries, we stand quite alone with our age limit of ten years. Excepting Italy, where physical development is attained much earlier in life, no other industrial country of Europe recognizes a lower age limit than that of twelve years. (3) With reference to the extension of protection to adults, we stand quite alone with our rule that health regulations do not independently apply to grown persons, just as our land is the only country—excepting Sweden—which in no way assures grown women an especial protection.

A bill now under discussion proposes to mend matters in all of these particulars. All industries which use mechanical power or employ over five hands, are required to take measures of protection. The regulated industries will thus increase in number from 2,900 to 7,200; protected laborers from 64,000 to 114,000; 27,000 industries employing 62,000 laborers remain unregulated.³ This change is important in comparison with existing conditions, but is not very radical when viewed in the light of the regulations of other European states. Denmark merely advances from the last to one of the last places.

Regarding children's labor, the age limit is to be raised from ten to fourteen years, the half-time school system being discontinued; school attendance and labor are separated. This would affect about 4,000 children. At first sight such a law seems quite radical, but when it is examined in the light of school-laws, it is seen that the principle is a common one. The limit is set where the common limit of education is placed; it is the school-law, not the proposed bill, that is radical.

Protection for adults, in general, is confined to detailed application along the lines of general legislation in 1873; the innovation consists in placing control in the hands of factory inspectors instead of health officers, and in the fact that health regulations apply to adults whether or not they labor together with minors.

The bill also seeks to introduce, for the first time, a special protection for women, this clause treating particularly of work on Sun-

¹Contributed by A. G. Keller, Ph. D., of Yale University.

²Frantz Pio; paper read before the Association of Political Economists, February 1, 1900. *Nationalökonomisk Tidsskrift, 2dte Heft.*, 1900.

³Industrial census of 1897; the figures are approximate.

days and at night, and during the period including the birth of a child. A ten-hour day is insisted upon, and thus grown women are placed in almost the same category with minors. The former laws forbade all labor on Sunday; now it is forbidden only for the especially protected, *i. e.*, women and the young. This latter proposition seems to apply only to the industries now to be brought under the system of protection; hence a mixed condition, without parallel in any other country, where Sunday labor is forbidden to men and women in some industries and only to women in others. The ten-hour enactment would affect about 16-17,000 women over eighteen years of age. The general maximum for female labor in other countries is eleven hours.

The author anticipates considerable opposition to this bill, especially upon the last named point.

The Statistics of Foreign Missions:—At the recent Ecumenical Conference on Foreign Missions held in New York City an inter-denominational committee, of which Rev. James S. Dennis, D. D., the well-known author of an encyclopedic work on "Christian Missions and Social Progress," is chairman, prepared a report on Centennial Statistics of Missionary Activity in Foreign Lands. The complete report will be printed in a forthcoming volume of the Conference Reports. The paper,¹ printed for the use of the conference, contains twenty-seven pages and gives some description of the plan pursued by the committee and some interesting summaries showing the magnitude of missionary undertaking which will interest social workers in all fields. The relative strength of different departments of foreign missionary work is the point of most general interest and unfortunately the point where least reliance can be placed in the statistics as given in the Preliminary Report of the committee. The task of the Committee is a most difficult one and it has done good pioneer work in pointing out the obstacles to successful statistics of missions. Yet it is safe to say that the results obtained do no more than indicate in a very general way the great magnitude of foreign missionary effort.

In the first place it is impossible to learn from the tables in the Preliminary Report or from the accompanying notes whether the figures are for a single year or for a period of years; if the reader is familiar enough with mission work to surmise from certain figures that the returns must be for a single year, he is still uncertain for which calendar year and whether all the figures relate to the same period of time. This is a serious defect which might have been easily

¹ To be had from Rev. James S. Dennis, D. D., 30, Lexington Ave., New York City.

remedied by a few words of explanation. As a matter of fact the committee desired to give a statistical survey of missionary activity for a single year and that as near the end of the century as possible so that the result would show the status of mission work at the close of the nineteenth century. On this point Dr. Dennis has very kindly furnished the following explanation in reply to a letter of inquiry on the subject:

"The statistics in the paper for the Ecumenical Conference represent for the most part the returns for 1898. In some instances they are for 1897, and perhaps in a very few, where no later returns were available, those for 1896 have been inserted. I should judge, however, that four-fifths of the entries were for the official year of the society, ending in some instances December 31, 1898, and in others in the spring of 1899. It is impossible to present an absolutely synchronous statement of missionary returns, as the official years of the societies do not coincide, and there are always a few societies that, owing to infrequency of published reports, or inaccessibility, cannot stand in the same line with the great majority of missionary organizations in a statistical list. The above remarks apply especially to the statistical summaries of pages 15, 16, 17, and also to the special returns for various departments of missionary activity given on pages 19-27. In the case of individual institutions, educational, literary, medical, philanthropic and cultural, the latest available returns have been given, but in a few instances they go back from two to five years, as I had to choose between leaving the statistics blank or giving the latest that I could find. I think the statistical exhibit as a whole may be fairly described as representing the most recent available returns, in the main those of the year 1898. I hope before the publication of the statistical volume next fall to insert the statistics of a year later in the case of many societies, so that the tables when published will stand as a representation of the statistical exhibit of foreign missions at the close of the nineteenth century."

Among the more important explanations, given in the Preliminary Report, which are necessary to understand the statistical summaries, are the following:

"1. What is the scope of foreign missions? The expression 'foreign missions' is understood to apply to any more or less organized effort to lead the natives of unevangelized lands to the acceptance of a pure and saving form of Christian truth, and to lift their daily living into conformity with it. The scene of this missionary activity should be outside the land in which it originates, or, if it originates in so-called foreign lands, it should represent the efforts of foreign residents, or of already Christianized native churches, moved by the missionary

impulse to extend the gospel of Christ among unevangelized peoples. There may be a great variety in method, and a decided preference as to the instrumental agency employed, but only one governing purpose.

" This definition, it will be observed, excludes all mission effort in the home land where the society is located. Work among the Indians or the European and Asiatic immigrants of the United States and Canada should not, therefore, be reckoned among the foreign missionary operations of the societies of those countries; yet if efforts are made by such societies among the Indians of South America, the mission can be classified as foreign, since it is so both geographically and because it is conducted among a pagan people. On the other hand, religious aid and missionary service rendered by British and Continental societies to foreign residents in the colonies cannot be classed as foreign missions, however distant may be the scene of operations from the home land. Work among the Protestant peoples of Europe by British or American societies should not, for similar reasons, be regarded as foreign missions. Geographically it may belong to foreign rather than home missions, but it is simply in the line of co-operation on the part of British and American Christians with the agencies of Christian evangelism already active under the direction of local churches in the Protestant nations of Europe.

" As regards Papal Europe, the question is more difficult. It may be said that inasmuch as evangelical missions conducted by societies of Great Britain and the United States among Oriental Christian Churches in Western Asia and Egypt, and among Roman Catholics in Mexico, Central and South America, are counted as foreign by almost common consent, therefore evangelical missions among the Roman Catholic or Greek Orthodox peoples of Europe should be so considered. This would introduce the McAll Mission, and numerous other societies organized to conduct evangelical work in France, Belgium, Spain, Italy, Austria, and elsewhere, into the list of recognized foreign missionary agencies. The point is not important except for purposes of classification. Such missions lose nothing of dignity or usefulness if classed by themselves under the caption of Evangelical Missions to Papal Europe. This seems to be far the more appropriate designation, leaving the term 'foreign missions' to be used in its ordinary and commonly interpreted sense, as referring to countries outside the bounds of Christendom. A possible, though confessedly arbitrary exception might be made in favor of those foreign missionary societies which conduct work in Papal Europe as a long-established feature of their operations. In our own country this would apply, among others, to the American Board, the Baptist Missionary Union, and the Methodist Episcopal Society.

"2. What is a foreign missionary society? is another essential point to be considered. No difficulty arises concerning agencies organized exclusively to do the work of foreign missions as outlined in the previous paragraphs—administering funds given for such a purpose, sending out missionaries, initiating and conducting missionary operations, founding churches and institutions, and otherwise fulfilling the varied aims of mission effort. Nor does it occasion any embarrassment if home and foreign missions are both included under one administration, in case separate accounts are kept and distinctive data can be given. There are, however, certain societies, agencies, and institutions whose service to foreign missions is undoubtedly, and yet so partial, specialized, indirect, or merely co-operative, that the question arises at once whether they may properly be placed in the list of distinctively foreign missionary societies.

"The Bible Societies, the Tract and Literature Societies, the United Society of Christian Endeavor, the Epworth Leagues, the Student Volunteer Movement, the International Committees of the Young Men's Christian Association and the Young Women's Christian Association, medical and educational organizations, brotherhoods and others, societies for work among seamen and among Jews, philanthropic specialties like that of the Pundita Ramabai in India, and numerous efforts on behalf of famine victims, orphans, and others, with a considerable number of organizations, foreign missionary in title and purpose, but simply rendering financial or other aid to existing societies—these varied and valuable activities for the extension of the Kingdom of Christ throughout the world demand recognition, and yet should they be counted as strictly and technically foreign missionary societies? Two courses are open: either we may use the expression 'foreign missionary society' in an all-inclusive and elastic sense, or we may differentiate and classify, giving to different organizations a place in separate lists, expressive of their various, direct, indirect, or co-operative relationships to the foreign missionary enterprise. We have chosen for our present purpose the latter alternative, naming three classes of societies, as follows:

"*Class 1.* Societies directly engaged in conducting foreign missions.

"*Class 2.* Societies indirectly co-operating or aiding in foreign missions.

"*Class 3.* Societies or institutions independently engaged in specialized effort in various departments of foreign missions."

It should be noted, therefore, that the following summaries relate only to Protestant missions of the so-called evangelical type. Of course the complete tables show clearly just what churches and religious bodies are included. We should therefore have to add the results

of Roman Catholic missions and those of several other religious organizations to get at the magnitude of American Christian Foreign Missions, and make still further additions to get at the amount of missionary activity carried on in the name and prompted by the impulse of religion. Notwithstanding the limitations of the figures presented by the Conference Committee of the Ecumenical Congress, they point to a social fact of such magnitude and to the direction that so large a fund of our social activity takes that they cannot fail to interest many and stimulate efforts to get more complete data. We reproduce the more important summaries as follows :

**STATISTICAL SUMMARY OF FOREIGN MISSIONS
THROUGHOUT THE WORLD.**

EVANGELISTIC.

Statistics of the Income, Staff, and Evangelistic Returns of Missionary Societies.

COMBINED TOTALS OF CLASSES I, II AND III.

	NATIONAL OR CONTINENTAL DIVISIONS.			
	Class I.	Class II.	Class III.	Totals.
Number of societies	249	98	102	449 ¹
Income from home and foreign sources	\$17,161,093	\$1,227,731	\$737,297	\$19,126,120 ²
FOREIGN MISSIONARIES.				
Ordained missionaries	4,953	74	36	5,063
Physicians—Men	421	11	52	484
Women	203	. . . . .	15	218
Lay missionaries not physicians (men)	1,244	69	157	1,470
Married women not physicians	3,450	54	63	3,567
Unmarried women not physicians	3,119	85	199	3,403
Total of foreign missionaries	13,607	1,255	598	15,400
NATIVE HELPERS.				
Ordained natives	4,029	9	15	4,053
Unordained natives—preachers, teachers, Bible-women and other helpers	69,300	3,207	492	72,999
Total of ordained and unordained native helpers	73,615	3,216	507	77,338
STATIONS.				
Principal stations	5,233	145	193	5,571
All other substations	25,583	541	120	26,247
CHURCHES.				
Organized churches	10,993	17	29	11,039
Total number of communicants	1,269,296	25,561	2,825	1,317,684
Additions during the last year	83,895	37	254	84,186
SUNDAY-SCHOOLS.				
Sunday-schools	14,940	14	78	15,032
Total Sunday-school membership	764,684	1,150	6,094	771,928
CONTRIBUTIONS.				
Total of native contributions	\$1,833,981	\$1,225	\$6,551	\$1,841,757
NATIVE CHRISTIANS.				
Total of native Christian community, including, besides communicants, non-communicants of all ages	4,327,283	76,328	10,625	4,414,236

WOMEN'S SOCIETIES.

(Special Summaries representing Woman's Share in the World Totals given above.)

	NATIONAL OR CONTINENTAL DIVISIONS.			
	Class I.	Class II.	Class III.	Totals.
Number of societies	95	5	20	120
Income from home and foreign sources	\$2,361,181	\$12,289	\$126,647	\$2,500,117
FOREIGN MISSIONARIES.				
Ordained missionaries	48		1	49
Physicians—Men	6		8	14
Women	138		5	143
Lay missionaries not physicians (men)	9		1	10
Married women not physicians	355		2	357
Unmarried women not physicians	1,490	9	130	1,629
Total of foreign missionaries	2,092	9	150	2,251
NATIVE HELPERS.				
Ordained natives	25		1	26
Unordained natives—preachers, teachers, Bible-women and other helpers	4,736	7	35	4,778
Total of ordained and unordained native helpers	4,761	7	36	4,804
STATIONS.				
Principal stations	637		23	660
All other substations	872			872
Remaining statistics cannot be separated from the general totals.				

1 If the number of women's auxiliary societies (88), not included in the total (449) of societies given above under Classes I, II, III, be added to that number, the grand total of all the missionary societies of the world, both independent and auxiliary, will reach 537, but all other data in the "Combined Totals of Classes I, II, and III," remain as given above.

2 In reducing the income of European societies to United States currency, the English pound sterling has been estimated at \$4.90, the Danish, Norwegian, and Swedish crown at 26 cents, the Dutch florin at 40 cents, the German mark at 24 cents, the Finnish mark at 19 cents, and the French franc at 30 cents. Indian rupees have been reckoned at three to the dollar.

EDUCATIONAL

Statistics of Elementary, Academic, Medical, and Industrial Instruction.

	Number	Students	Instructors	Total.
Universities and Colleges	93	33,139	2,275	35,414
Theological and Training Schools	358	8,347	3,558	11,905
Boarding and High Schools and Seminaries	857	48,851	34,297	83,148
Industrial Training Institutions and Classes	167	6,892	2,486	9,378
Medical and Nurses' Schools and Classes	63	370	219	589
Kindergartens	127	2,251 ¹	2,251 ¹	4,502
Elementary or Village Day Schools	18,742	616,722	287,720	904,442
Totals	20,407	716,572	332,806	1,049,378

¹ In the absence of definite information in the returns as to the sex of pupils in kindergartens, it has been estimated that about one-half are boys.

MEDICAL

Statistics of Hospitals, Dispensaries, and Patients
Treated Annually.

I. HOSPITALS AND DISPENSARIES.

Location.	Number of Hospitals.	Number of Dispensaries.	Hospital In-patients.	Total of Individual Patients.	Total Number of Treatments.
Africa	40	103	4,909	177,794	441,239
Alaska	3	4	191	8,558	25,676
Arabia	1	4	—	21,018	52,206
Burma	7	9	840	1,817	3,245
Canada and Labrador	9	8	246	9,324	15,636
Ceylon	4	10	393	745,322	1,700,452
China	124	240	33,529	4,948	17,524
Formosa	2	3	632	22,902	2,356,731
India	106	250	701	877,704	66,703
Japan	7	16	—	27,098	—
Korea	9	13	1,283	35,201	70,259
Madagascar	3	9	329	19,349	53,090
Malaysia	2	5	395	6,307	34,476
Mexico	1	4	—	6,338	15,603
Oceania	1	2	97	961	2,885
Palestine	10	20	3,766	87,056	223,281
Persia	5	13	997	42,280	101,017
Siam and Laos	5	9	231	14,654	26,975
South America	3	5	—	2,794	4,041
Syria	6	16	1,167	32,932	91,812
Turkey	7	10	1,033	36,804	80,903
Proportionate estimate for 96 hospitals and 147 dispensaries not reporting ¹		355	753	73,741	5,383,934
Totals		355	753	93,705	2,579,651
					6,647,840

¹ The following Hospitals and Dispensaries included in the 355 and 753 mentioned above failed to report statistics:

	Hospitals.	Dispensaries.
Africa	25	46
Alaska	2	4
Burma	2	1
Canada and Labrador	6	7
Ceylon	2	4
China	20	31
Formosa	1	1
India	23	29
Japan	2	6
Korea	3	2
Madagascar	—	3
Malaysia	1	2
Mexico	1	—
Oceania	—	1
Palestine	1	2
Persia	—	—
Siam and Laos	1	2
South America	2	3
Syria	1	3
Turkey	2	—
Totals	96	147

The Legal Status of Labor Organizations.—An important event in the labor world has been the recent opinion of Judge Truax in the Appellate Division of the New York Supreme Court, in dissolving an injunction which had been secured by the National Protective Association of Steam Fitters restraining the Enterprise Association of Steam Fitters and other organizations from interfering with members of the first mentioned organization in securing and retaining work. The court said that every workman has the unquestioned right to say for whom and with whom he will work, and that the employer has a similar right to say whom he will employ. The right, if it exists at all, is reciprocal, and if it is once destroyed, personal liberty is destroyed also. The implication of this principle is declared to be that neither employer nor employee, if possessed of this right of free action and free choice in their individual capacities, can lose it when acting with others clothed with an equal right. Employers may therefore refuse to employ members of labor organizations, and laborers, on their part, decline to work for employers who engage non-union men. As between two labor organizations, the opinion continued, it was entirely competent for one to secure the discharge of members of the other, in order to obtain places for its own members. The court did not follow out this line of reasoning to its logical end, and by judicial opinion confirm the legality of the black list. Such, however, is the plain implication of its statement that employers may refuse to employ men either as individuals or as members of a labor organization. Labor circles are not a little agitated over this decision, which, although enlarging the field of privilege for the unions, is, in their opinion, fraught with the most sinister significance in its enunciation of similar rights as belonging to the employer. If the rule of logic is to guide the decisions of our courts, we may expect to see the trade union dissolved as being a combination in restraint of trade, and as such plainly offending against the letter and spirit of anti-monopoly legislation. It is not at all certain that the unions whose restrictions as to membership and conditions of employment are burdensome and offensive not only to the majority of outside workers but also to many of their own members, would be able without substantial modification of their regulations in the direction of greater liberality, to secure sufficient popular support, to resist successfully such a direct attack by the judiciary upon their right to exist in their present form.

National Supremacy and the Tendency to Consolidation in the Iron and Steel Industry.—An interesting development in the steel industry has been the increasing vogue of open-hearth steel, which bids fair to surpass the Bessemer product in the world's produc-

tion. In general, Bessemer steel is preferred for rails, wire, hoops, bars and sheets, where rigidity instead of tensile strength is the quality sought for. Open-hearth steel, on the other hand, is chiefly desired for its greater tensile strength and more uniform quality, and is therefore in demand for ship building. Until recently, although open-hearth steel was produced in large amounts in Great Britain, the process was little used in the United States, as compared with the Bessemer process, the reason being the abundance of Bessemer ores in this country, and the greater cost of the acid open-hearth process, which could not extract the impurities from low-grade ore. The introduction of the basic process into open-hearth working, however, is rapidly changing these conditions. This enables the use of scrap and of pig iron of a poorer grade than is possible in the basic process, in which the excess of phosphorus passes into the slag.

The steel made by the open-hearth process, as just remarked, is more uniform in quality than Bessemer steel, to which indeed, for many purposes, on account of its lack of uniformity in texture, wrought iron is preferred. The deposits of low grade ore, especially in the South, are of immense extent, while the day of diminishing returns in the Bessemer mines of the Superior district is already in sight. For this reason the basic open-hearth process has, in recent years, made remarkable progress in the United States. The *Iron Age* remarks of the situation as follows: "It now stands so high in favor that new open-hearth plants are numerous and important additions are being made to old ones. The only addition to Bessemer capacity in a long time is the plant of the Republic Iron and Steel Company, at Youngstown, Ohio, now approaching completion, and even that is not strictly a new plant, but rather the re-location of an old works. The great demand for steel in the past year, which led to much activity in the erection of open-hearth furnaces, could not restore vitality to quite a number of Bessemer works which had been laid off during the previous depression." The decreasing demand for steel rails is doubtless an important factor in the substitution of the open-hearth process.

This remarkable change in the methods of the steel industry may result in certain readjustments of location and advantage which have not been generally noted. The field for the open-hearth process lies in the South where coal, lime and low grade ore can be more cheaply assembled than at Pittsburg or the lake ports. It will be nothing strange if Birmingham shall in time wrest the supremacy from the northern iron centres. Our international advantage in the iron trade is also lessened by this fact. Spain and Sweden are being rapidly depleted of their Bessemer ores, but the deposits of low grade ores are very

large, abundantly ample to meet all demands for a long time to come. Moreover, Great Britain and the continental producers of steel who have been forced to import the Bessemer ores in increasing amounts, are well supplied with ores suitable for the basic open-hearth process. It would appear that the advantage of the United States in the iron and steel industry, although important, is not likely to increase as fast as was expected, and that the superiority which will be enjoyed by this country will depend rather upon our cheap coal than upon our supplies of iron ore.

The ore association has fixed the price of Lake Superior ore for this year's delivery at \$5.50 per ton, a fact which, in the judgment of men prominent in the iron and steel trade, will make it difficult to lower prices of iron and steel products much below the present level. On the present prices of ore, coke and labor, and the present level of railway rates, pig iron cannot be produced for less than \$15 at many of the furnaces. No substantial reductions in any of these contributory prices are looked for. It is probably true that the price of pig iron is lower in proportion to the cost of production than it was two years ago. In 1898 the ore association made the mistake of fixing the price of ore only twenty-five cents above the low level of 1898, a lower point than would have been warranted by the demand. Coke also ruled at a low price during 1898 and a part of 1899. Wages had not yet risen, the great rise in iron having taken place during 1898-99, after the annual adjustment of the scale with the amalgamated iron and steel association. These facts account for the great profits made in the iron and steel industry during that period. During the past year, however, readjustments in prices of labor and materials have been taking place, and the day of large profits, especially for those companies who must buy the raw material, is about over. This does not apply to some of the iron and steel combinations, especially the Federal Steel and the American Steel and Wire companies, who are large owners of ore and coal lands, and therefore, with the exception of their wage scale, in large measure exempt from the depressing influence of high prices of raw material. The Carnegie Company has long owned the sources of its raw material. Nothing is more likely to come about in the industrial world than a further consolidation of iron and steel interests in the direction of larger control of the raw material. Without this advantage, the benefits of the control of prices which the combinations have secured must be divided with the iron and coke companies. The only thing, apparently, which will interfere with such a consolidation is the fear of hostile legislation.

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